FBIS DAILY REPORT

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COMMANDERS IN CHIEF ON JUNTA'S RECOMPOSITION

Morning Meeting

PY091912 Buenos Aires Domestic Service in Spanish 1600 GMT 9 Sep 82

[Text] The commanders in chief of the three armed forces met at 0900 in the Libertador building, army headquarters. The following communique was released at the end of the meeting:

Today at 0900, Army Commander in Chief Cristino Nicolaides, Navy Commander in Chief Jorge Anaya and Air Force Commander in Chief Augusto Jorge Hughes, met in the Libertador building, army headquarters. Subjects related to the military junta's reconstitution were discussed. The meeting concluded at 1115.

Evening Meeting

PY100233 Buenos Aires TELAM in Spanish 2332 GMT 9 Sep 82

[Text] Buenos Aires, 9 Sep (TELAM) -- At the end of a meeting of the three secretaries general of the armed forces, which concluded at 1955 at the Condor building, military spokesmen said that a report on the issues discussed at the meeting -- which was related to the recomposition of the military junta as the supreme organ of the state -- will be released tomorrow.

Army Brig Gen Jose Victor Gutierrez, Vice Adm Joaquin Gomez and Air Force Brig Gen Alberto Cristobal Simari met at the Air Force headquarters beginning at 1600.

The spokesmen said that a communique on today's meeting will be released by the respective duty secretary of the junta, which is held by the three services on a rotational basis. They also noted that the recomposition of the military junta would take place after the installation of Navy Commander in Chief Vice Adm Oscar Franco -- who will take the oath of office on 1 October -- and Air Force Commander in Chief Lt Gen Augusto Hughes as members of the junta.

ARMY REPORT ON FALKLANDS TO REMAIN SECRET

PY090353 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2340 GMT 8 Sep 82

[Text] Buenos Aires, 8 Sep (NA) -- A reliable military source revealed tonight that the so-called "Calvi Report" on the performance of army units during the war for the Malvinas will remain secret. The findings of the commission headed by Maj Gen Nestor Calvi have already been submitted to Lt Gen Cristino Nicolaides and relevant portions of it have been relayed to the promotion boards.

According to the military source, the commander of the army has ordered that the report not be released for publication. The spokesman said that in view of this and unless leaks occur, the findings of the evaluation of the war for the Malvinas will be revealed only through the promotions and retirements ordered by the promotion boards, as no drastic punishments will be applied.

As to the decorations that commanders, officers, noncommissioned officers and soldiers may deserve, they will be awarded by the end of the year, even though the navy and the air force will be decorating its cadres next week.

The army will not coin special decorations for the Malvinas conflict -- contrary to what the other two branches will do -- but will merely award an order of the nation in four grades, the creation of which is being studied by the Joint Chiefs of Staff.

NATION SELF-SUFFICIENT IN NUCLEAR FUEL ELEMENTS

PY091552 Buenos Aires TELAM in Spanish 1939 GMT 7 Sep 82

[Excerpts] Buenos Aires, 7 Sep (TELAM) -- President Reynaldo Bignone attended a ceremony today to celebrate Argentina's self-sufficiency in nuclear fuel elements for the first time. "Coming here to look at these installations is looking at Argentina's future; one leaves here full of optimism," said the chief of state to the press after the ceremony at the nuclear fuel element manufacturing unit of the Ezeiza nuclear plant. The ceremony involved the delivery of the first 104 fuel elements produced in the country by this plant -- inaugurated on 2 April 1981 -- for use in the Atucha I nuclear plant.

During the ceremony, the head of the National Atomic Energy Commission (CNEA) emphasized that the difficult circumstances the country had to face as a result of the war in the South Atlantic proved that the policies that were implemented were sound. Vice Adm Carlos Castro Madero said that self-sufficiency guarantees supply and prevents jeopardizing the operation of the Atucha nuclear plant and the use of large sums of foreign currency.

During a conversation with the press, Bignone said that the operation of some nuclear plants may suffer some delays due to the current situation of the CNEA budget, but that the timetable of the Argentine nuclear plan will not be affected. He said that the CNEA has adjusted its future plans to the current budget; he reiterated that this does not mean that the plans will be interrupted.

Regarding the manufacturing plant operated by Conuar S.A. (Argentine Nuclear Fuels Inc), he said that this is a combination of two capitals (private and state) aimed at carrying out the entire program in order to fulfill the Argentine nuclear plan, and that this is one more step in that direction.

The president emphasized that the overall plan is aimed at building the best facilities in order to have as much self-sufficiency as possible, and that the factory has been designed for future modifications in accordance with the needs of the nuclear plants it supplies.

Bignone also said that he had no information about a report that nuclear weapons are reportedly in storage in the South Atlantic after the war. [as received]

He then thanked the press for the opportunity to talk to them on subjects of importance to the country, putting aside other current matters which would have overshadowed the importance of this visit at this time. He promised that there will be other opportunities to talk about other matters.

Castro Madero emphasized that this is an achievement of national and international significance demonstrating that Argentina has reached an effective technological and industrial level in a field which until now has been restricted to the most developed countries of the world.

Castro Madero also referred to the importance of a permanent and reliable supply of fuels because these fuel elements are essential for the operation of nuclear plants. Therefore, our country feels obliged to carry out all the production stages of such fuel elements. He added: This manufacturing plant is part of this framework; it will help cover a very important stage in nuclear fuel cycle know-how, insuring a normal and economical supply supported by local industry without depending on foreign aid, thereby strengthening the national economy.

Castro Madero said that the plant has proven to be efficient and that it produces fuel elements from national uranium at a price 8 percent less than the imported price.

In conclusion, he indicated that the policies adopted will allow the country to have control over the nuclear fuel it uses, including its cost, and that it will also have the technological know-how and the certainty of being able to continue introducing improvements in design and new developments in the field of nuclear fuels in the country.

BRIEFS

NEW OIL WELL -- Mendoza, 30 Aug (TELAM) -- The Government Oil Deposits has opened oil well No 9 in Mendoza, which produces 500 cubic meters of oil daily. The well is known as Malal del Medio and is located 380 km southwest of Malargue. [Buenos Aires TELAM in Spanish 1345 GMT 30 Aug 82 PY]

GDP DROPS -- Compared with last year's second quarter, this year's was marked by an 8.1 percent decline in the gross domestic product. Unemployment stands at 6 percent and exports have dropped by 8 percent. [Buenos Aires DIARIO POPULAR in Spanish 20 Aug 82 GMT p 2 PY]

TRADE UNDER SECRETARY REMOVED -- Buenos Aires, 6 Sep (NA) -- On 6 September, the Trade Secretariat announced that Jorge Raul Caminotti has been removed from his post as foreign trade and regional integration under secretary due to government reasons and through resolution No 114. Caminotti will be temporarily replaced by International Trade Relations Under Secretary Enrique Bauerle. [Buenos Aires NOTICIAS ARGENTINAS in Spanish 0100 GMT 7 Sep 82 PY]

ANTARCTIC JOINT COMMANDER -- Vice Adm Leopoldo Suarez del Cerro, chief of the Joint Staff, today installed Cap Jose Amauri Ferrer as joint Antarctic commander. [Buenos Aires Domestic Service in Spanish 1600 GMT 9 Sep 82 PY]

NEW INDEPENDENT PUBLICATION -- Santa Rosa (La Pampa), 7 Sep (TELAM) -- A new independent publication called LA PROVINCIA appeared here today for the first time. The publication, which at the beginning will be published monthly, is directed by Oscar Christensen with the cooperation of several local journalists. [Buenos Aires TELAM in Spanish 1103 GMT 7 Sep 82 PY]

COST OF LIVING INCREASE -- Buenos Aires, 7 Sep (DYN) -- It has been officially disclosed that the cost of living during August increased 14.7 percent compared to the previous month. So far the cost of living has increased 90.6 percent this year. [Buenos Aires DYN in Spanish 2128 GMT 7 Sep 82 PY]

PURCHASING POWER DECLINES -- Buenos Aires, 7 Sep (TELAM) -- According to an official report issued by the National Institute of Statistics and Census, the average salary of industrial workers has experienced a 34 percent decline in terms of purchasing power during the first half of this year. [Buenos Aires TELAM in Spanish 2325 GMT 7 Sep 82 PY]

PRC FAIR -- Buenos Aires, 7 Sep (TELAM) -- The PRC economic, commercial and artistic fair was officially opened today at the Palermo show grounds. The fair will be open until 24 September and will exhibit 2,600 products, among which are handicrafts in ivory and jade, rugs and tapestries as well as other products of light and heavy industry. [Buenos Aires TELAM in Spanish 1655 GMT 7 Sep 82 PY]

STRIKE SITUATION THROUGHOUT COUNTRY REPORTED

Central Bank Strike Continues

PY091455 La Paz Cadena Panamericana in Spanish 1130 GMT 9 Sep 82

[Excerpts] The Bolivian Labor Federation [COB] has asked the Central Bank employees to resume activities. However, Central Bank officials have decided to continue with their general, indefinite strike despite the COB's request. Central Bank employees are also being pressured by the fact that the strike they are holding is affecting various sectors.

Despite the COB's request, leader Miguel Angel Quintanilla has stated that the strike is a matter of principle and will continue as long as the Interior Ministry withholds the reasons for the accusations made against some Central Bank employees [regarding the affair of the national smelting enterprise].

Here is the comment that leader Miguel Angel Quintanilla made with regard to the COB's request that the Central Bank employees resume activities:

[Begin Quintanilla recording] The request has been considered, but we maintain our initial position. Now we would also like to make known some other facts. In the first place, we will maintain our flexibility only for the next 48 hours regarding the measure we have adopted. We will adopt more drastic measures if the Interior Ministry or government authorities do not issue an official clarification within the next 48 hours. [end recording]

Private Banks Resume Activities

PY091555 La Paz Radio Illimani Network in Spanish 1100 GMT 9 Sep 82

[Excerpt] The local private banks, which closed last Monday, will resume their activities today and observe their usual working hours. An agreement has been reached regarding the supply of money.

Officials of the Bolivian Association of Banks met with Central Bank officials yesterday afternoon to reach an agreement regarding the reopening of the banks.

In view of the fact that the supply of money has been assured, the officials of the Association of Banks reported their decision to resume their activities today.

COB Hunger March Pending

PY090031 La Paz Cadena Panamericana in Spanish 1130 GMT 8 Sep 82

[Excerpts] The setting of the date for the march against hunger that was announced by the Bolivian Labor Federation, COS, a few days ago, is still pending. The possibility of cancelling the march is subject to the upcoming meetings which might be held within the next few hours between COB leaders and government authorities. The leaders of the top labor organization are hoping to meet with Finance Minister Alfonso Revollo to learn about the new economic measures the government is planning to implement.

COB Leader Oscar Sanjines termed as an act of despair the strike that was begun yesterday by the labor sectors of Cochabamba. It is surmised from statements Sanjines made to journalists that the measure has not been fully approved by the COB. They want to resolve national problems at the local level, Sanjines stated.

Cochabamba Strike Continues

PY090322 La Paz Cadena Panamericana in Spanish 0000 GMT 9 Sep 82

[Excerpt] Our correspondent in Cochabamba reports that the ministers of the interior and of industry and commerce met with Cochabamba representatives today in an effort to solve the problem raised by the people of that city. However, this effort was unsuccessful.

[Begin relay from Cochabamba] After holding a long meeting with the ministers of the interior and of industry and commerce, the top leader of the Cochabamba Board -- (Junco) -- said that the trip the ministers made could barely be called a good will trip for investigative purposes. During the meeting, the ministers and the (Junco) leader discussed the strike Cochabamba sectors are observing. [end relay]

(Junco) representative (Hugo Bilbao Lavieja) has said that the general strike continues as originally scheduled by (Junco).

[Begin (Lavieja) recording] The ministers of the interior and of industry and commerce barely made a good will analysis. They have offered no solutions to the problems raised by Cochabamba. Therefore, (Junco) maintains [words indistinct] as planned. [end recording]

(Lavieja) also referred to the hopes of the people of Cochabamba that the immediate handing over of power to civilians and the abolition of the floating dollar system will be discussed during the cabinet meeting to be held Thursday under the presidency of Gen Guido Vildoso.

Media Workers to Strike

PY090228 La Paz Radio Fides in Spanish 2330 GMT 7 Sep 82

[Text] The Bolivian Press Workers Federation has confirmed that the sector will stage a 24-hour strike protesting the announced closure of the newspapers HOY and EL MERIDIANO. (?Morning newspapers) will strike on 9 September while evening newspapers and news departments of radio and television stations will do so on 10 September. The federation has issued the following communique signed by (Antonio Miranda) and (Ivan Paz Garo), executive secretary and secretary general of the federation, respectively.

In keeping with the decision made by the sixth national congress held in the city of Potosi, the Bolivian Press Workers Federation has confirmed that a 24-hour strike will be staged to protest the announced closure of the La Paz newspapers HOY and MERIDIANO. The strike, which will be nationwide, will be observed by all morning newspapers on 9 September and by the newspaper EL MERIDIANO, the morning newspapers ULTIMA HORA and JORNADA of the city of La Paz and by all the news departments of all Bolivian radio and television stations on 10 September. The departmental unions will be in charge of appointing the strike committees and will give instructions to ensure faithful compliance with the decision of the sixth congress. The Bolivian Press Workers Federation reiterates its [words indistinct] of protecting the job tenure of all Bolivian press workers in keeping with the law. It also voices its determination to find solutions to the sector's socioeconomic problems on the basis of constructive dialogue. For this purpose, it calls upon businessmen to cooperate with their efforts aimed at protecting job tenure.

[La Paz Radio Illimani Network in Spanish at 1100 GMT on 9 September reports the following: "Interior Minister Edgar Rojas Ruiz has categorically denied that the government intends to close the newspapers MERIDIANO and HOY of La Paz. In statements made in Cochabamba yesterday, the interior minister noted that that rumor is designed to smear the government because the government respects the press. Moreover, he reasserted that there is still full freedom of speech in the country."]

Chuquisaca Threatens Strike

PY091900 La Paz Cadena Panamericana in Spanish 1130 GMT 9 Sep 82

[Text] The Southern Civic Bloc [bloque civico del sur del pais] has made a forceful request to government authorities demanding that the signing of the contract for the building of the (Icla) hydroelectric project be authorized. The Southern Civic Bloc has set 10 September as a deadline for the government to honor its request, according to a report yesterday by (Jorge Lema), chairman of the Tarija Development Corporation. (Jorge Lema) visited government house yesterday to report on the measures that have been adopted in that part of the country.

[Begin (Lema) recording] I must take charge of those problems because I am the coordinator of the Southern Civic Bloc. For this reason, I have sent a note to the government from Tarija telling the government that if it does not meet the people's demands, I, as coordinator, will order a general, indefinite strike in the three districts. The government is in one way or another honoring the claims of each one of the country's districts despite the economic, social and political crisis the country is experiencing. This was the case with Tarija a few days ago. But in the specific case of Chuquisaca, it wants the Finance and planning ministries to immediately authorize the tender for the financing of the (Icla) hydroelectric project. If our request is not honored by 10 September, we will, unfortunately, have to adopt coercive measures. [end recording]

(Lema) concluded by proposing that coca production be nationalized to resolve some of the economic problmes the country is experiencing. This natural resource would in one way or another generate profits, (Lema) added.

TENTATIVE ELECTORAL TIMETABLE APPROVED

PY081428 La Paz Cadena Panamericana in Spanish 0000 GMT 8 Sep 82

[Text] The National Electoral Tribunal today approved the tentative schedule for the electoral process that will culminate on 24 April 1983. (Walter Rios Gamboa), the general coordinator of the tribunal, released the following timetable to the mass media: 20 August, appointment of the National Electoral Tribunal; from 23 August to 23 September, appointment of departmental electoral tribunals; from 15 September to 15 November, preparation of materials, registration books, indexes, acts and purchase of desks; from 1 October to 15 November, recognition of legal status of parties, registration of parties' platforms and statutes; from 1 November to 31 January, appointment of electoral supervisors; from 1 November to 30 December, preparation of the electoral list after the cancellation of the previous list through a decree law; from 1 December to 28 February, screening of list; from 1 March to 4 April, advice to parties, fronts and coalitions; from 1 March to 4 April, approval of the multicolored and multilettered ballot slip, ballot printing; from 1 February to 15 March, appointment of electoral councils; from 15 February to 31 March, final registration of electoral lists; from 16 March to 31 March, designation of electoral centers; from 8 March to 15 April, sending of multicolored and multilettered ballots; 24 April, general elections; from 25 April to 10 May, departmental computation; from 11 May to 31 May, general scrutiny; from 1 June to 5 June, cancellation requests; 30 June, handing over of credentials to the president and vice president of the Chambers of Senators and Deputies.

MIR WANTS SILES-LED GOVERNMENT OF CONCENSUS

PY081425 La Paz Cadena Panamericana in Spanish 1130 GMT 8 Sep 82

[Excerpts] During a huge meeting held yesterday in San Francisco Square, Jaime Paz Zamora, leader of the Revolutionary Movement of the Left, MIR, expressed the need for a national government of concensus based on the agreement of all democratic forces in order to adopt the necessary measures to resolve the problems the country is experiencing. Paz Zamora said hunger and the substantial economic problems affecting all sectors ought to be resolved immediately.

The leaders and members of the MIR filled San Francisco Square. The meeting concluded with a march along the main streets and avenues of La Paz.

Paz Zamora maintained that the government proposed by the MIR ought to be headed by former President Hernan Siles Zuazo, who currently is the leader of the Popular Democratic Union, UDP. Jaime Paz Zamora also stated that the UDP has drawn up a economic, political and social plan to be implemented by the government in order to tackle the present crisis once and for all. Paz Zamora also called on all the honest militarymen to participate in the government of concensus sponsored by the MIR.

FORMER PRESIDENT MAY BE TRIED IN U.S. COURTS

PY100259 Paris AFP in Spanish 2046 GMT 9 Sep 82

[Text] La Paz, 9 Sep (AFP) -- It was reported here today that former Bolivian President Luis Garcia Meza (1980-1981) and his interior minister, Luis Arce Gomez, might appear before U.S. Courts for alleged cocaine trafficking.

Gen Guido Vildoso Calderon's government has announced through the Interior Ministry that it has initiated negotiations for the two officers to first appear before the U.S. Congress. The daily MERIDIANO of this capital hinted today that those negotiations are being carried out with the approval of the two former state dignitaries, and it was therefore inferred that they would be voluntarily handed over to the United States.

General Garcia Meza and Colonel Arce Gomez were accused of involvement in drug trafficking by U.S. television reporter Mike Wallace while they were still holding their public posts.

It was also learned that the U.S. Embassy in La Paz has conditioned the resumption of U.S. aid to Bolivia on the handing over of the two accused, an event which is believed th be without precedent in relations between the two countries.

FOREIGN MINISTER ON PARAGUAY'S URUPABOL DECISION

PY071703 La Paz Cadena Panamericana in Spanish 1130 GMT 7 Sep 82

[Excerpt] The Paraguayan decision to withdraw from the subregional organization Urupabol [Permanent Joint Commission of Uruguay, Paraguay and Bolivia] has caused concern. According to Bolivian Foreign Minister Agustin Saavedra, Paraguay's withdrawal virtually entails Urupabol's dissolution.

According to reports received in La Paz, Paraguay has decided to withdraw from Urupabol strictly for economic reasons. Here is the statement the Bolivian foreign minister has made in this regard:

[Begin Saavedra recording] I have sent a note to Paraguayan Foreign Minister Nogues in the name of our government stating that we obviously respect the sovereign decision of the Paraguayan Government -- every nation is entitled to denounce an agreement as it sees fit.

I said we will seek the best channels for maintaining our friendly relations with the Republic of Paraguay within the bilateral framework, within the multilateral framework through the River Plate Basin group and through other international organizations. This is contained in the note I sent to my Paraguayan counterpart. [end recording]

Saavedra Weisse stated that relations between the two countries will continue normally in the future. He also expressed the Bolivian Government's desire to carry out bilateral plans with the other two Urupabol members.

[Begin Saavedra recording] The organ is called Urupabol, so the withdrawal of one of its members alters the situation.

[Question] Will Urupabol be dissolved?

[Saavedra] The pertinent consultations will be made with the Integration Secretariat, with the Republic of Uruguay and with the Republic of Paraguay itself. I repeat that we want to continue our good relations with our two neighboring nations. [end recording]

NETHERLANDS RESTORES DIPLOMATIC RELATIONS

PY100014 Paris AFP in Spanish 1813 GMT 9 Sep 82

[Text] The Hague, 9 Sep (AFP) -- The Foreign Ministry spokesman announced here today that the Dutch Government has restored diplomatic relations with Bolivia. These relations had been broken since August 1980.

The spokesman added that Vincent Bruyns, the Dutch ambassador to Peru, will also perform as Dutch ambassador to Bolivia, and that he will soon present his credentials to Bolivian President Gen Guido Vildoso Calderon.

The spokesman said that the reasons which brought about the breaking of diplomatic relations, namely, violations of human rights and of other essential rights, are no longer valid because all political prisoners are being released, exiles are being allowed to return and general elections have been called for by the government.

BRIEFS

HYDROELECTRIC PROJECT -- The San Jacinto multiple hydroelectric project will be built close to the city of Tarija at an estimated cost of $37 million. According to a report released by the Energy Ministry, the project consists of an irrigation system covering 4,457 hectares and a 7,000-kilowatt hydroelectric plant. An agreement was recently signed with the Argentine consortium (Cima-Castellone) for the construction of the first part of the project. The hydroelectric project is scheduled to be concluded at the end of 1985. [La Paz Radio Illimani Network in Spanish 1100 GMT 7 Sep 82 PY]

REGIME TO OPPOSE U.S. TRADE COMMISSION STANCE

PY092248 Rio de Janeiro O GLOBO in Portuguese 8 Sep 82 p 17

[Excerpts] Brasilia (O GLOBO) -- Brazil is against the position of the U.S. International Trade Commission to intensify investigations against subsidies and against the increasing number of demands for countervailing tariffs by U.S. companies. These will be some of the positions defended by Brazil during the tenth meeting of the Brazilian-U.S. trade subgroup to be held from 20 to 21 September in Washington.

The Brazilian delegation will also take the opportunity to explain why it is against the U.S. proposal -- to be discussed during the GATT meeting next November -- on extending the concepts and agreements of this treaty to include services and commerical practices related to investment.

The trade subgroup is a bilateral mechanism for consultations and exchanges of information, but not for negotiations. It was created by former Foreign Ministers Azeredo da Silveira and Henry Kissinger within the scope of a broader consultation mechanism. It holds informal meetings every 6 months and no records or minutes are kept. The last meeting was held last January in Brasilia.

The number of requests regarding countervailing tariffs against Brazil have increased in the United States since that last meeting. "Damage assessments" conducted by the United States in order to find out whether the importation of Brazilian products really hurts similar U.S.-made products have been systematically negative for Brazil.

The Brazilian Government believes that the restrictions it has imposed on imports, restrictions which the United States has questioned, are not aimed against that country. Their ultimate goal is to maintain a minimum surplus in the balance of trade, something essential for preserving Brazil's creditworthiness.

WAR COLLEGE CHIEF IN PRC; PRESIDENT MAY VISIT

PY092010 Rio de Janeiro O GLOBO in Portuguese 8 Sep 82 p 2

[Text] Gen Alzir Chalour, commander of the War College, is currently visiting the PRC at the invitation of the PRC Government. As far as can be recalled, this is the first official visit an army general on active duty has paid to a socialist country.

Chaldub's visit to Beijing, Canton and other Chinese cities is related to the slow and gradual rapprochement between the two countries which began with the resuming of diplomatic relations in 1974. President Figueiredo might visit the PRC in March or May 1983 within the framework of the above-mentioned rapprochement.

Figueiredo's visit to the PRC will be preceded by those of Finance Minister Ernane Galveas in the near future, and of Planning Minister Delfim Netto at the beginning of 1983.

GEN WERNER COMMENTS ON FRENCH MINISTER'S VISIT

PY092156 Rio de Janeiro O GLOBO in Portuguese 8 Sep 82 p 16

[Text] Brasilia (O GLOBO) -- "In view of the interest demonstrated by French Defense Minister Charles Hernu, Brazil may get military technology from that country, including military equipment," Said Gen Alacyr Frederico Werner, chief of the Armed Forces General Staff (EMFA) at Brasilia Air Base yesterday.

During his first interview on the results of the visit of the French defense minister, General Werner -- before leaving for Rio de Janeiro -- indicated that the purchase of French equipment depends on the availability of financial resources.

General Werner said: "We can also get technology to allow us to produce more sophisticated equipment in Brazil. Undoubtedly we have already made progress in the production of some equipment such as some combat vehicles, aircraft and ships."

Regarding the Brazilian military needs and the possibilities of cooperation with France, the EMFA chief said:

"We have already reached a significant stage of development in terms of military technology and in the production of some equipment, bur we are still far from what can be considered 'more sophisticated equipment.'"

The general said that "Brazil is already carrying out research on missiles and even has some in production and development such as the Piranha, and the armed forces are making efforts with the little money provided in the naiton's budget to increase the technological capacity of the country and of Brazilian industry."

The general said: "We are making the best we can so that the armed forces will have the necessary equipment to fulfill their constitutional mission. We already have a very advanced microelectronic system; if you study the Piranha you will see that it has some very significant technological advances."

He said that Brazilian military expenditures are 1 percent of the gross domestic product, one of the lowest in Latin America.

He added: "With ability, ingenuity and skill, I hope that in the not too distant future we will be able to manufacture any armament we need, but which we do not intend to use."

BRIEFS

INFLATION FIGURES -- The inflation rate reached 5.8 percent in August. The accumulated inflation in the last 12 months is 97.7 percent. [Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 3 Sep 82 PY]

STUDENTS BANISHED; OTHERS ON HUNGER STRIKE

PY090027 Buenos Aires LATIN in Spanish 0204 GMT 7 Sep 82

[Text] Santiago, 6 Sep (LATIN-REUTER) -- Today the government punished two students with banishment as the mood of protest in several Chilean universities against the punishment of expulsion from the country is increasing. According to an official communique, two of the seven persons arrested during the incidents in the court building last Thursday have been banished for 30 days to different sites.

The government Social Communications Agency (Dinacos) said that Fernando Martinez and Gerko Ljubetic have been banished for disseminating slogans of illegal organizations and for distributing subversive propaganda. The official communique said that the two individuals have a record of political activity and are repeat offenders in this type of action.

About 200 Catholic university law students demonstrated in the court building protesting the punishment of expulsion ordered by the Justice Department. The incidents -- due to the rejection of the habeas corpus submitted by Christian Democrat Jaime Castillo, the expelled former minister of justice -- takes place at a time when President Augusto Pinochet is about to celebrate 9 years in power next Saturday.

Seven students began a hunger strike in the university chapel today in protest over the arrests. Philosophy students of the same Catholic university held demonstrations in the last few hours in protest over the kidnapping of a female student for a few hours. According to a communique released by the students, Marcela Palma Salamanca, secretary of the philosophy student body, was arrested by unidentified individuals on her way home and then released after being interrogated and beaten in an automobile.

Two other persons who were sentenced to expulsion from the country by a court began a hunger strike in a church of this capital. Sergio Aguilo and Rodrigo Gonzalez were charged along with six other persons with violating the political recess in force in Chile and with belonging to the proscribed Christian left.

Members of the Chilean Human Rights Commission and the Peace and Justice Service (Serpaj), who are also affected by the court decision, which was appealed, are out on bail.

CARABINEROS DISCOVER TERRORIST CELL HIDEOUT

PY092003 Santiago Domestic Service in Spanish 1730 GMT 9 Sep 82

[Summary] A terrorist hideout was discovered in the area of Concepcion. Carabineros found weapons and documents belonging to a terrorist cell inside the house at 120 Maipu Street. They reported that Soviet-made machineguns and accessory equipment were found.

PRESIDENT STRESSES GOOD RELATIONS WITH VENEZUELA

PA091750 Bogota Domestic Service in Spanish 2330 GMT 7 Sep 82

[Letter from Colombian President Belisario Betancur to former Venezuelan President Carlos Andres Perez; no date given -- read by announcer]

[Text] Carlos Andres Perez, former President of Venezuela and life member of the Venezuelan Congress, Caracas.

Thank you for your fraternal and affectionate message on the occasion of my inauguration as president of Colombia. Those who gain high office through democratic means in countries like Colombia and Venezuela, with the fundamental objective of preserving and improving their cultures, know that aside from our own economic and social problems we must on many occasions become the protagonists or involuntary victims of outside conflicts that can affect our situations.

The awareness of possible unfair and dangerous situations should prompt nations with rich pasts and above all many future possibilities like Venezuela and Colombia to strengthen their bonds, which may serve as an example to Latin America and the world of what unity of purpose and solidarity action can achieve to bolster national identity and create a common front on behalf of our peoples' development.

Promoters of the unbreakable Colombian-Venezuelan cordiality like you constitute valuable intellectual and human capital of our two countries; therefore, we need your permanent assistance so, as you so eloquently expressed it, we may walk the path traced by Liberator Simon Bolivar.

I reiterate my sentiments of friendship and admiration.

[Signed] Belisario Betancur, president of Colombia.

LIBERAL MINISTER ON POSSIBLE CABINET CRISIS

PA091540 Bogota Emisoras Caracol Network in Spanish 1215 GMT 9 Sep 82

[Text] Bogota -- Health Minister Jorge Garcia Gomez has dismissed the possibility of a cabinet crisis due to the decision of the Liberal bloc in the legislature that the participation of Liberal ministers in the present government is of a personal nature and not in representation of the party.

Garcia Gomez, approached by Caracol reporters, said that he will continue in his post and explained that his appointment was made by President Belisario Betancur without consulting any political group. He added that he does not belong to any political group, but to the Liberal Party, and he fully identified himself with the great decisions of the party's leadership. He emphasized, however, that above all he represents the medical sector and liberalism.

The minister denied claims about the government being hegemonic, insisting that it is a national government. He gave assurance that the Health Ministry is not engaged in hegemony, because ailments have no political color. They only ailment with a color is yellow fever, and it was eradicated in Colombia over 20 years ago.

Garcia Gomez, nevertheless, was surprised by the decision of the legislative bloc and pointed out that he would like to meet with Liberal leaders in the case a decision is to be made.

He concluded by stating that he does not believe there will be a cabinet crisis as result of the stance adopted by former President Alfonso Lopez Michelsen in his position as the sole head of Liberalism. Authorized Liberal spokesmen today considered that the Liberal ministers in the present government should resign in view of the pronouncement of the legislative bloc that indicated that Liberal representation in the Betancur administration is of a personal nature, and does not represent the party.

Former Foreign Minister Carlos Lemos Simonds and former Government Minister Jorge Mario Eastman said the decision of the bloc places the Liberal ministers in a most uncomfortable position, when sitting at a cabinet meeting without any political backing.

Liberals on Government Program

PA091606 Bogota Emisoras Caracol Network in Spanish 1215 GMT 9 Sep 82

[Text] Bogota -- The Liberal Party is in no way interested in hindering the possibilities offered to the nation in President Betancur's program. In fact, it hopes such possibilities will be attained as successfully as possible, but without any official commitment on the part of Liberalism, said German Zea Hernandez, alternate director of the party, commenting on the decision of the legislative bloc to consider as personal and technical the participation of Liberals in the current government.

Liberalism will continue to act according to its own ideas, supporting whatever it deems positive and criticizing anything it considers negative, Zea Hernandez pointed out.

Liberals Deny Election Deal

PA091724 Bogota Emisoras Caracol Network in Spanish 1215 GMT 9 Sep 82

[Text] Bogota -- The Liberal Party will not make a deal with the Conservative Party on the election of the presidential designate of the republic, since its legislators are free to assume political stands and commitments according to their personal views in congress and with respect to the government. This announcement was made by the party's sole chief, Alfonso Lopez Michelsen, when asked his opinion on the subject.

Former President Lopez Michelsen said that according to the recommendations made in the opening speech at the parliamentarians meeting, it is obvious that there will be no discipline by the Liberal Party as an organization in the election of the presidential designate. We have not been treated as an organization but as just another group in a crowd. Therefore, as such a group, we will choose whomever we want from among the Conservative candidates.

The former president's statement was followed by enthusiastic applause from those present.

So far, the Conservative sector has mentioned two names as candidates for presidential designated; Former Minister Jose Valderrama and Sen Alvaro Gomez Hurtado.

BRIEFS

BANK OFFICIAL ARRESTED -- Bogota -- (Jamie Mosquera Castro), former executive president of the Bank of the State [Banco del Estado] was arrested and taken to the offices of the administrative Department of Security last night. He and other officials of the bank have been accused of deceit in connection with public documents. A lawyer claims that they used the citizenship cards of several persons to falsely represent them as parties to a number of credit transactions. [Bogota Emisoras Caracol Network in Spanish 1215 GMT 8 Sep 82 PA]

AIR FORCE PLANES PURCHASE -- Bogota, 15 Aug (EFE) -- The Colombian Air Force will acquire four modern U.S.-made Hercules airplanes. The planes will be used for transporting combat troops and equipment, according to a report published today in EL SIGLO, a conservative Bogota daily. [Madrid EFE in Spanish 1320 GMT 15 Aug 82 PA]

NEW CREDIT OFFICIAL -- President Belisario Betancur has sworn in Maria Eugenia Rojas de Moreno Diaz as the new manager of the Institute of Territorial Credit. [Bogota Domestic Service in Spanish 1730 GMT 31 Aug 82 PA]

TEMPORARY CABINET APPOINTMENTS REPORTED

PA100059 Quito Cadena Ecuador Radio in Spanish 2300 GMT 9 Sep 82

[Excerpt] President Oswaldo Hurtado made four temporary appointments today to allay the cabinet crisis caused by the criticism leveled against Natural Resources and Energy Minister Eduardo Ortega Gomez and the withdrawal of the Concentration of Popular Forces [CFP] from the government alliance, in addition to the partial withdrawal of the Radical Democratic Party.

Ecuador Radio has confirmed that the Public Works and Communications Ministry vacated by the resignation of CFP member Rafael Robles has been placed under the direction of Claudio Malo, a Popular Democrat who is also education minister. Health Minister Francisco Huerta Montalvo is temporarily assuming the Social Welfare Ministry, which was vacated by CFP member Patricio del Pozo. Hurtado has appointed (Carlos Solines) to the Natural Resources and Energy Ministry; he had been under secretary in the same Ministry, until the new resources minister, Gustavo Galindo, was appointed this afternoon. [Sentence as heard]

Finally, Labor Minister Vladimiro Alvarez Grau is now also acting finance minister, following the resignation of Radical Democrat Jaime Morillo Battle.

Ecuador Radio has also established that Eduardo (Moncayo Marmol), who according to a newspaper is already a minister, has not been appointed yet to the Public Works Ministry. At the government palace we tried to confirm a report that Gustavo Galindo Velasco had been appointed natural resources minister, as reported by the same newspaper. [setence as heard] It is very unlikely, they said, referring to this report; the only things that are true and officially confirmed are the previously mentioned temporary appointments and, according to a press bulletin of the Public Information Secretariat, the appointment of Gustavo Galindo as the new natural resources minister.

The secretary general of public information, (Alfredo Negreti), said that the names of the ministers for the currently vacant cabinet posts of the Finance, Public Works and Social Welfare Ministries will not be known till next week.

Meanwhile, the three under secretaries of finance resigned this morning on orders of their party and in solidarity with the former minister, Morillo Battle. Technical Under Secretary of Finance (Bolivar Torres) said in this respect:

[Begin Bolivar Torres recording] After Finance and Public Credit Minister Jaime Morillo resigned, we under secretaries submitted our respective resignations, which were accepted. I must make it clear that this decision was made by resolution of the national leadership of the Radical Democratic Party. The party continues to cooperate with President Oswaldo Hurtado's government. We are demonstrating at this time that the party is proceeding with the honesty and loyalty that was expressed to the president when the party decided to participate in the Health and Finance Ministries. [end recording]

New Energy Minister

PA092341 Quito Cadena Ecuador Radio in Spanish 2300 GMT 9 Sep 82

[Text] This afternoon President Oswaldo Hurtado appointed Eng Gustavo Galindo Velasco as the new minister of natural resources and energy to replace Dr Eduardo Ortega Gomez. Galindo will be sworn in next Monday at 1000 in a ceremony that will take place in the cabinet room of the presidential palace.

Galindo is 50 years old, married, with 3 children. Education: Vicente Rocafuerte National College, high school; graduated as civil engineer from Guayaquil University. He studied electrical engineering at the technical university, Dresden, Germany. He was professor at the politechnical school in 1969; dean of the politechnical school, 1978-1982; general manager of the engineering projects company, 1971-1978; general manager of the electric appliances factory, 1975-1978; and director of the Guayas-Dos Rios electrical company. He has no political affiliation, being an independent.

OIL SALES TO URUGUAY RENEWED; SURPLUS MARKETED

PA100326 Quito Voz de los Andes in Spanish 1130 GMT 9 Sep 82

[Text] Ecuador will expand its oil market. In the next few days it will renew its sales of 10,000 barrels daily to Uruguay. There are also excellent chances of increasing exports to Brazil and of renewing trade with Chile. This was said by Eduardo Orthega, energy and natural resources minister, who added that once these negotiations are completed, the country's opportunities will broaden, and at a time when it has a small surplus and is about to place 25,000 additional barrels on the foreign market.

According to Ortega, Eduador sells 60,000 barrels a day through long-term contracts; 17,000 barrels a day are exported through Texaco, corresponding to royalties; while 10,000 barrels a day are sent to Brazil for refining. The current daily production is 212,000 barrels per day, of which 118,000 are reserved for domestic use. Therefore, there is a surplus of approximately 7,000 barrels, which are being sold on the spot market. According to oil experts, this prevents an excess in oil storage and failure to obtain exchange.

BRIEFS

NEW MONETARY BOARD PRESIDENT -- Quito, 27 Aug (AFP) -- President Oswaldo Hurtado has appointed Jose Antonio Correa, a prominent international personality, as president of the Ecuadorean Monetary Board. Correa has been president of the Ecuadorean Finance Company since 1964. He has been the Ecuadorean ambassador in Washington as well as to the United Nations. He was assistant to the UN secretary general from 1950 to 1958. [Paris AFP in Spanish 2114 GMT 27 Aug 82 PA]

UK TRADE MINISTER ARRIVES, SEES GOOD PROSPECTS

PY090250 Asuncion ULTIMA HORA in Spanish 8 Sep 82 p 8

[Text] "Great Britain is an open market and I believe that Paraguayan goods will have a good chance to sell," British Trade Minister Peter Rees said today upon his arrival at the local international airport where he was welcomed by Industries and Trade Minister Delfin Ugarte Centurion, British Ambassador Derrick Mellor and other officials.

Rees said that "Great Britain can contribute significantly to Paraguayan development in fields such as advisors, technology and agroindustry." He emphasized that Paraguay must "export its products" and that this will be the main subject of his talks with Paraguayan officials.

Asked whether his country will buy Paraguayan canned meat, the British minister reaffirmed that it is possible and that in order to carry out this project a technical group will arrive soon in order to inspect canning plants and check their sanitary conditions.

He also explained that he will take a hand in the preliminary aspects of this project and that his visits to local cattle ranches will be "merely symbolic."

He stressed that "our two nations enjoy an excellent relationship," and expressed satisfaction over being in Paraguay. He stated that he "hopes to arrive at satisfactory agreements on cooperation programs" in the course of his talks with industry and commerce and foreign relations ministers.

It is worth pointing out that Peter Rees will meet with Delfin Ugarte Centurion and other officials and businessmen at the Industries and Commerce Ministry, and after that he will talk with representatives of the Paraguayan industrial union on the occasion of National Industry Day.

Talks With Commerce Minister

PY091910 Asuncion Teledifusora Paraguaya Television in Spanish 1630 GMT 9 Sep 82

[Excerpt] British Trade Minister Mr Peter Rees is carrying out an extensive agenda in our country. Accompanied by his entourage, he placed a wreath this morning at the National Heroes Pantheon. He then visited, in the company of British Ambassador Derrick Mellor, Foreign Minister Alberto Nogues, who was accompanied by Foreign Affairs Under Secretary Rodney Elpidio Acevedo. He also visited Transport Minister Gen Juan Antonio Caceras

Rees held his first meeting with Industry and Commerce Minister Delfin Ugarte Centurion, advisers and representatives of the private sector. The results of this meeting are explained in the following interview with Minister Ugarte Centurion: [Begin recording]

[Reporter] What have been the first subjects submitted to this English delegation by the public and private sectors?

[Ugarte Centurion] They can be divided into three parts: financial, trade exchange and private sector investment. In the field of financing we have talked about several projects of the public sector, such as British participation in the tender for expanding the docks of Asuncion and Villeta; the possibility of British participation in the construction of the railroad to transport soybeans; and participation in other projects of the public sector in which the British are interested and which are in agreement with the interest that the national government has in those projects, specifically the docks and the railroad to transport soybean.

[Reporter] Among these projects, Mr Minister, which one do you consider of top priority?

[Ugarte Centurion] According to what has already been defined at the highest level of our government, a tender has already been made for the expansion of the docks of the two ports, which has been termed as urgent, because it is a bottleneck in our foreign trade. The ports of Asuncion and Villeta currently have very limited space.

[Reporter] Can you inform us about the private talk you had with the delegation?

[Ugarte Centurion] We also talked about the need of increasing our trade, which, since 1979, has been unfavorable to our country. In other words, we are importing more than we are exporting. We are currently and virtually exporting only one product to Great Britain; cotton. Since 1979 there have been no meat exports and we have firmly expressed the desire of the Paraguayan Government to once again export meat. This would help to resolve the concern of the livestock sector of our country, which is in an excellent position to enter the market, because the traditional supplier is currently not participating in the British market. [end recording]

FOREIGN MINISTER TO HEAD DELEGATION TO UN

PY091730 Asuncion ABC COLOR in Spanish 8 Sep 82 p 8

[Text] Foreign Minister Alberto Nogues will head our country's delegation to the annual UN General Assembly meeting at the end of this month.

Yesterday, the national executive branch approved Decree No 35,413, originated in the Foreign Ministry, naming the national delegation to the 37th UN General Assembly beginning on 21 September in New York.

In addition to the foreign minister, the other members of the delegation are: Luis Gonzalez Arias, Paraguayan UN permanent representative; Senator Ezequiel Gonzalez Alsina; Senator Carlos Saldivar; Jose Antonio Moremo Ruffinelli; Ambassador Pedro Mir Puig, representative before the UN Office in Geneva; Eladio Loizaga, director of the Foreign Ministry Department of Organizations and International Treaties and Acts (DOTAI); Advisor Oscar Cabello, Paraguayan UN alternate representative; and Estela Dias, first secretary of the Paraguayan UN Permanent Mission.

EXILE GROUP LAUNCHES 'OPERATION RETURN'

PY091717 Sao Paulo FOLHA DE SAO PAULO in Portuguese 8 Sep 82 p 6

[By Carlos de Oliveira]

[Excerpt] In a move representing the greatest defiance to the 28-year long dictatorship of Gen Alfredo Stroessner, a group of about 25 exiles made up of leaders of Paraguayan political parties will board a plane in Buenos Aires on 11 September and head for Asuncion. This is the first stage of "Operation Return" which, according to its organizers, is aimed at eventhally resettling in Paraguay nothing less than 1.3 million people who, during the last three decades, were forced to leave their homeland for political, social or economic reasons.

Luis Alfonso Resck, exile president of the Christian Democratic Party of Paraguay, said yesterday in Sao Paulo that "Operation Return" is aimed at taking exiles back to Paraguay, thus unmasking the dramatic reality of people's life in that country, especially since the bloody military coup which installed General Stroessner in power 28 years ago."

In an Aerolineas Argentinas scheduled flight, the exiles -- who will be accompanied by foreign journalists, artists and even representatives of the PMDB [Brazilian Democratic Mobilization Party] -- intend, "in the first place, to enjoy the right to live in their country, struggling for the enforcement of human rights and a state of law."

The consequences of this operation, which was proposed some time ago by the National Accord -- a political opposition front encompassing the Popular Colorado Movement, the Authentic Radical Liberal Party, the Febrerista Revolutionary Party, the Christian Democratic Party and the Paraguayan Workers Federation in Exile -- are completely unpredictable, according to Resck. In his opinion, anything can happen, "from barring plane boarding in Buenos Aires to imprisonment upon arrival. The inexorable fact is that new winds are blowing in the southern cone, with the liberalization process in Brazil and a similar one getting underway in Argentina. The Stroessner regime will not be able to remain impervious within these surroundings."

NEW YACYRETA DIRECTOR REAFFIRMS WILL TO BUILD

PY090326 Asuncion ULTIMA HORA in Spanish 8 Sep 82 pp 8, 9

[Excerpts] The brand new executive director of Yacyreta Binational Entity [EBY] reaffirmed the will to build the dam upon his arrival at the local international airport this morning. "It is going to be a very significant, historic feat," he said.

Hugo Carlos d'Angelo, the recently appointed executive director of the EBY, said, shortly after arriving at Asuncion International Airport from Buenos Aires, that "once we bring pending technical and financial affairs up to date, we will start building. We are fully convinced that this will take place next year."

Asked about the possibility that the hydroelectric project will be implemented entirely by Paraguayan and Argentine firms, disregarding bids submitted by international firms, D'Angelo said that he favors the maximum possible participation of the two partner nations through local contractors, and believes that Argentine and Paraguayan engineers and architects should be given priority.

He added, however, that "this must be done without lowering quality standards and missing the deadlines in the implementation of the various projects."

During his 3-day stay in Paraguay, D'Angelo will meet local government officials and will tour EBY's local office. He disclosed that Foreign Minister Alberto Nogues will meet him at 0800 tomorrow.

BRIEFS

NEW DANISH AMBASSADOR -- Finn Aansberg-Petersen today presented his credentials to Paraguayan President Alfredo Stroessner as the new Danish ambassador to Paraguay. [Asuncion ULTIMA HORA in Spanish 31 Aug 82 p 9 PY]

S. KOREAN DELEGATION'S VISIT -- A delegation of South Korean National Assembly representatives made up by Kim Won-ki, Cho Chang-ho, O Chae-to, Yi Song-su, Yi Sop-man and Kim (Mu-ok) are visiting Paraguay. [Asuncion HOY in Spanish 31 Aug 82 p 7 PY]

PRIME MINISTER URGES ASSISTANCE FOR LA

PY091600 Paris AFP in Spanish 1814 GMT 8 Sep 82

[Excerpt] Toronto, 8 Sep (AFP) -- Peruvian Prime Minister Manuel Ulloa has called on the world financial community to pay special attention to the problems of Latin America, which is burdened with huge foreign indebtedness while in the midst of a practically stunted economic growth.

Speaking as president of the IMF Development Committee, Ulloa emphasized the need to act realistically without expecting miracles, but noted that the normal development of people cannot be hindered without creating a real risk of social discontent and political turmoil which may even affect the stability of a region vital to the world's well-being.

Ulloa said that Latin America's foreign indebtedness in many cases is badly arranged; therefore, under prevailing conditions it could not be reimbursed if new and appropriate financing is not forthcoming. If that does not happen, the minimal needs of the population could not be met.

The Peruvian prime minister and finance minister stated that there should be no doubt as to the solvency of these countries, which are endowed with ample resources whose basic value is solid for the foreseeable future. He added that these countries are also willing to adopt corrective measures to adjust their growth to their economic reality.

BANK EMPLOYEES, TEACHERS, MINERS ON STRIKE

PY090358 Paris AFP in Spanish 1710 GMT 8 Sep 82

[Text] Lima, 8 Sep (AFP) -- While 26,000 bank employees resumed their general indefinite strike today, 11,000 university professors went on a 48-hour strike.

Meanwhile, 17,000 miners of the state-owned Centromin-Peru, the former Cerro de Pasco enterprise, which produces lead, zinc and copper, announced that they will go on strike tomorrow, Thursday, demanding payment of 1 billion soles ($1.3 million) for accrued vacations.

The bank employees, who stopped working last week, returned to work on Monday and Tuesday to continue their negotiations for salary hikes with the banking association. Since they were offered less than half of the 150,000-sole hike ($200) that they were asking for, they went back on strike today. Although some banks managed to open their doors, service to the public was minimal.

The university professors are asking for more funds for the 33 higher education establishments and the lifting of the state of emergency in Lima, Callao and other rural provinces.

The 6,000 peasants who yesterday blocked the Panamerican Highway in Piura, northern Peru, asking to be paid for their cotton, took away their barricades last night after arriving at an agreement with the government.

BRIEFS

ITALIAN FOREIGN TRADE INSTITUTE -- The Italian Government today dedicated a branch of the Italian Institute for Foreign Trade in Lima to facilitate and intensify the trade exchange between Italy and Peru. Alessandro Nigro has been designated chief of the institute in Lima. Nigro reported that in 1981 Peru purchased Italian products totalling $255 million, which included ships, planes, electronic equipment and machinery for the mining, plastics and textile industries. Similarly, in 1981 Italian enterprises purchased Peruvian products totalling $135 million, including copper, wool, zinc, lead, coffee, flour, and wool and cotton fabrics. [LIMA EXPRESO in Spanish 19 Aug 82 p 16 PY]

NOTIMEX ANALYZES U.S. MEDIA 'DISCREDIT CAMPAIGN'

FL091409 Mexico City NOTIMEX in Spanish 0312 GMT 8 Sep 82

["NOTIMEX Analysis: Mexico/United States" -- NOTIMEX headline]

[Text] Mexico City, 8 Sep (NOTIMEX) -- In the eyes of the U.S. public, Mexico appears to be destined to play the role of villain as one of the main causes for the U.S.' internal and external problems. In recent times, the U.S. media have carried programs and reports -- some of which have included the participation of government representatives -- in what would appear to be an attempt to dust off the big stick for use as an ideological weapon against Mexico. The economic crisis Mexico is currently experiencing and the conflicts in the Central American area which affect the United States in its economy and its drive for power in one way or another are the main elements being used to propagate the recent campaign to discredit Mexico.

Mexico's indomitable stance on Central America's conflicts has had little success with the U.S. Government, which longs for the old days when it was the colonizer of banana republics and when the United Fruit Corporation acted as it pleased. In addition, there is the economic recession the United States is experiencing and the restrictive policy of the Reagan administration, which has made unemployment climb to almost 10 percent of the active population.

Attempts are being made to make Americans believe that Mexico has caused the effects resulting from both situations. In this way, an atmosphere of animosity toward Mexicans is created through the media. Moreover, the Mexicans are portrayed as irresponsible, untrustworthy and (?aggressive) individuals.

The apparent aims of this campaign might be to aggravate Mexico's economic problems in such a way that the country would be forced to sell larger amounts of petroleum and gas at favorable prices to the United States. This in turn would enable the United States to pressure Arab oil producers and resume control of the world's economy.

This new U.S. position entails a change in strategy in view of the failure of its economic policy toward Mexico. The tuna embargo, new legislation on undocumented workers, the establishment of compensatory taxes, the refusal to recognize the 200-mile patrimonial sea limit and the reduction in the amount of merchandise that can enter its market through the preferential system have all been insufficient to make Mexico's development submit to the interests of this superpower.

Unable to exert direct pressure -- which it defines as the use of arms -- against its neighbor, the United States is trying out new forms of pressure to destabilize Mexico. This aim is so obvious that a White House paper with restricted circulation signed by Assistant Secretary for Inter-American Affairs, Thomas Enders emphasizes that U.S. aid could be useful in pointing Mexico in the direction of a correct domestic policy.

The old yearning of the United States of America for the continent to be a single nation dominated by it is still alive. It appears that it is once again trying to initiate the expansion at Mexico's cost. However, Mexican ambassador to Washington, Bernardo Sepulveda Amor made Mexican policy clear, explaining that in spite of its present difficulties, Mexico will not change its foreign policy and will not surrender its freedom and sovereignty.

It is clear, then, that the big stick, regardless of the form it is meant to take, should be put back in the trunk where old things are kept. Otherwise it might end up in the trash can of history, thrown there by those who would be seen as villains.

CABINET WELCOMES CONFIRMATION OF PAREDES

PA092145 Panama City MATUTINO in Spanish 9 Sep 82 pp 1-A 6-B

[Text of resolution issued by the Panamanian Cabinet -- no date given]

[Text] The Cabinet Council, considering:

1. That his excellency Ricardo de la Espriella, president of the republic, has announced his decision to the country to retain Gen Ruben Dario Paredes as commander in chief of the National Guard and that his decision is based on section 1 of Article 164 of the Political Constitution of the Republic of Panama;

2. That, with an attitude demonstrating unity, responsibility and comradeship, the members of the General Staff respectfully requested that the president of the republic retain Gen Ruben Dario Paredes in the position of commander in chief of the National Guard; and

3. That in view of the historical stage that our nation is currently undergoing it is necessary to strengthen our public institutions in order to hold impartial and honest elections and to culminate the process of democratization charted by Brig Gen Omar Torrijos Herrera, leader of the revolutionary process, by electing the next president of the republic through a direct, freely cast and legally tallied ballot by our citizens; the work done by Gen Ruben Dario Paredes in this regard has been outstanding and this fact was been widely recognized throughout the nation.

It is resolved:

1. To endorse the decision made by his excellency the president of the republic and to extol the responsible and patriotic attitude of the National Guard General Staff.

2. To publicly acknowledge the positive work that has been done by Gen Ruben Dario Paredes and to thank him for the support given by the institution he heads to President Ricardo de la Espriella's administration and his Cabinet.

3. To publicly express our unanimous determination to continue our dynamic efforts in search of prompt and effective solutions to the problems afflicting the Panamanian people.

FORMATION OF NEW POLITICAL PARTY ANNOUNCED

PA091927 Panama City Television Nacional in Spanish 2300 GMT 8 Sep 82

[Text] A group of political leaders headed by Carlos Eleta Almaran today announced the formation of a new political party in the country. Its name is the Labor Party [Partido Laborista -- Pala] its symbol will be a shovel, and its slogan will be: Development with Justice and Freedom [desarrollo con justicia y libertad].

The leaders of this new party stressed that it is being created to demand the creation and just distribution of wealth and that the country live in peace, free of foreign doctrines. Carlos Eleta Almaran is the party's president and temporary secretary general, and Azal Vargas is the vice president and temporary deputy secretary general. The founders of the party stressed that it seeks to give independent people more credibility and trust.

Maximo Luque, Ricardo Franco, Jorge Fernandez and Jose de la Cruz Paredes were among those present at today's noon meeting. Those present at the meeting were told that the directors will go before the Electoral Tribunal on 14 September to present the necessary documents to begin registering members next year.

PARTY ISSUES STATEMENT ON TREATY ANNIVERSARY

PA092310 Panama City LA REPUBLICA in Spanish 8 Sep 82 pp 3, 10

[Statement released by Panama's Democratic Revolutionary Party on anniversary of 1977 Panama Canal treaties -- no date given]

[Text] On the fifth anniversary of the 7 September 1977 signing of the Torrijos-Carter treaties, the Democratic Revolutionary Party [PRD] -- the majority sector of the people's will -- expresses its gratitude to Gen Omar Torrijos Herrera, who, together with the Panamanian people, made this decisive step in the achievement of one of their dearest objectives -- the country's liberation and complete independence -- possible.

This fifth anniversary of the Torrijos-Carter treaties is being noted at a time of great political debate in which the different sectors of public life are involved in examining the social, economic, political and cultural problems deriving from the structure of the Panamanian nation in a land where only one flag should wave.

The death of Gen Omar Torrijos Herrera, promoter of the treaties, produced a commitment by the PRD members and leaders to keep the banners of national dignity and of the complete recovery of our territory, which is occupied by a foreign power, high aloft, and to remain watchful for any noncompliance or mistaken interpretation that might distort the agreements signed with Washington on 7 September 1977.

This commitment is closely tied to Panama's foreign policy, as drafted by General Torrijos, which is based on nonalignment and on the principles of self-determination of peoples, nonintervention and the peaceful solution of political disputes, while, within these outlines, showing solidarity with other peoples and keeping the right to choose our friends and our enemies in our diplomatic relations.

The PRD will actively and vigilantly uphold the highest aspirations of the Panamanian people, believing that they are directly related to the appropriate use of those portions of the canal areas that revert to our homeland, which must guarantee the best possible operation of the canal and the use of these properties to achieve the highest collective benefit.

BRIEFS

HUMAN RIGHTS GROUP'S STATUS -- The Panamanian Committee on Human Rights [Comite Panameno de los Derechos Humanos] has filed a request for legal status with Government Minister Justo Fidel Palacios. Minister Palacios said the government respects human rights, since it firmly believes in them. The petition will be passed on to President Ricardo de la Espirella for consideration and approval. [Panama City LA PRENSA in Spanish 25 Aug 82 p 8C PA]

TECHNICAL COOPERATION WITH JAPAN -- Representatives of the Panamanian and Japanese Governments yesterday signed an agreement whereby Japan will grant technical assistance to Panama through the Panama-Japan professional training center. [Panama City MATUTINO in Spanish 27 Aug 82 p 12-A PA]

CHILEAN FLIGHTS SUSPENDED -- (Luis Alberto Levy), assistant head of the Civil Aeronautics Directorate, has reported that Chile's National Airline [LAN] has asked to be allowed temporarily to suspend flights to Panama. He indicated that this was due to LAN's failure to obtain a permit in Venezuela and also because the airline is being reorganized. [Panama City Circuito RPC Television in Spanish 1700 GMT 4 Sep 82 PA]

EL SALVADOR

DUARTE REPORTEDLY MEETS WITH UNGO ABROAD

PA091503 San Salvador EL DIARIO LATINO in Spanish 7 Sep 82 p 2

[Excerpt] Jose Napoleon Durate has met on several occasions with Guillermo Manuel Ungo, perhaps to negotiate political issues between the Christian Democrat Party (PDC) and the guerrillas. This was said yesterday by (Enrique Eduardo Campos), member of the Salvadoran People's Party, PPS. (Campos) told this to a group of newsmen to reaffirm his conviction that the PDC is a political entity that lacks seriousness.

He said that while the Christian Democrats speak about fighting the communists, Duarte has been meeting with Ungo, president of the Democratic Revolutionary Front, FDR, in several European and South American countries. "At least" he said, "that is what has been implied by newspapers from countries where Duarte has been giving lectures, during his most recent tours. Ungo has been simultaneously appearing in the same countries."

(Campos) said that Duarte has been put on the spot and has been unable to answer when newsmen from the countries he has visited have asked him about the coincidence of Ungo always visiting at the same time the countries where Duarte has toured.

FOREIGN MINISTER SEEKS AID IN BELGIUM, ITALY

PA091957 San Salvador LA PRENSA GRAFICA in Spanish 8 Sep 82 pp 3, 22

[Excerpts] Salvadoran Foreign Minister Dr Fidel Chavez Mena is on a tour through Belgium and Italy in an effort to promote and secure international cooperation and aid to reactivate the country's economic structure.

The foreign ministry's foreign policy office announced yesterday that the minister will arrive today in Brussels, where he will have a work meeting with the highest Salvadoran foreign service officials accredited in various European countries.

The foreign ministry has explained that Dr Chavez' visit is of particular importance since the EEC operates from Brussels and the visit is specifically aimed at obtaining practical economic results.

Dr Chavez will carry out similar activities in Rome, where he will meet with political officials and labor leaders and hold a news conference to speak about the unity government and the government platform announced recently through the Apaneca pact.

LEADER OF PCN FACTION REITERATES AUTONOMY

PA092246 San Salvador LA PRENSA GRAFICA in Spanish 8 Sep 82 p 22

[Excerpts] The 10 deputies from the National Conciliation Party, PCN, who have created an autonomous PCN group within the Constituent Assembly have made the following statements: "We intend to ignore the current party leadership and to make our own decisions, considering not personal interests but the interests of the Salvadoran people in general."

"We don't depend upon the PCN's National Executive Council and we will not seek shelter with any other political party, as some have speculated," Dr Maria Julia Castillo noted. Dr Castillo is second vice president of the Constituent Assembly and represents the PCN.

"The autonomous PCN faction has a great advantage because, rather than obeying an erratic leadership, we listen to the demands of the people who elected us to defend their interests; and this is what we are doing, in line with their mandate," Dr Castillo said.

"As I have said, we will not seek shelter with any other party. The PCN will always be the PCN and we will struggle to prevent our party from dying through a poor leadership," Dr Castillo concluded. Dr Castillo is the leader of the autonomous PCN group in the Constituent Assembly, which has the support of 10 departments and of their respective political constituents.

BRIEFS

NEW EDUCATION UNDER SECRETARY -- Ramon Ernesto Rodriguez Rivas was sworn in today as new under secretary of education. Rodriguez was proposed by President Alvaro Magana and Vice President Raul Molina Martinez and was ratified by the Constituent Assembly. [San Salvador Radio Cadena YSKL in Spanish 1813 GMT 31 Aug 82 PA]

DROP IN GNP -- According to a report read by Economy Minister Jose Manuel Pacas Castro before the Constituent Assembly, the country's GNP underwent a drop of 653,200,000 colones in the last 2 years. He noted that the GNP was 3,595,200,000 colones in 1979, dropped by 9.6 percent in 1980 and by 9.5 percent in 1981. Thus, the figure for this last year was 2,942,000,000 colones, meaning that the 1981 GNP dropped to levels achieved in 1974. [San Salvador EL DIARIO DE HOY in Spanish 2 Sep 82 pp 5, 39 PA]

GUATEMALA

TENSION EXPECTED BETWEEN GOVERNMENT, PARTIES

PA091630 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 8 Sep 82

[Excerpts] Presidential Spokesman Rafael Escobar Arguello today said that President Efrain Rios Montt will appoint a number of people to fill the vacancies in the State Council resulting from the absence of the representatives of political parties. Escobar Arguello made the statement after leaders of the National Liberation Movement, the Nationalist Authentic Central, the Reformist National Party and the Guatemalan Christian Democracy reiterated that they would abstain from naming delegates to the State Council.

Local political circles have predicted sharp tension between the government and the four political parties that have declined participation in the State Council.

Presidency Official's Remarks

PA091627 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 8 Sep 82

[Excerpts] Manuel de Jesus Giron Tanchez, secretary general of the Presidency, has reported that although the expiration of the deadline to propose candidates for the State Council is only a few hours away only 14 of the sectors that were asked to submit names have done so as of this afternoon.

Giron Tanchez listed the sectors that have heeded the government's call to name the State Council:

[Begin Giron Tanchez recording] They include several of the private universities, the farming sector, the industrial sector, the comercial sector, private banks, the United Revolutionary Front, political parties, urban workers, rural workers, the [word indistinct] municipalities, cooperatives, professional associations and women's organizations. [end recording]

Giron Tanchez recalled that the deadline expires today at 2400, but he said that he did not expect any more responses to come in because the remaining sectors have already reported that they will not participate.

[Begin recording] [Giron Tanchez] The deadline expires today at 2400.

[Question indistinct]

[Answer] Yes, but I don't think any more documents will be brought in because the only ones lacking are the newsmen, and they have clearly stated that they will not participate. [end recording]

However, Giron Tanchez said that the list he had did not include the representatives of the ethnic groups, who will have a majority in the State Council.

He described the method to be used to appoint the representatives of the executive branch and the representatives of the sectors that have declined to participate, citing the journalism sector as an example:

[Begin Giron Tanchez recording] Five representatives of the executive branch will be appointed. And since the newsmen did not submit any candidates, these will be appointed by the president of the republic according to law. [end recording]

When questioned on the government's opinion about the political parties' decision not to participate in the State Council Giron Tanchez said they have missed a golden opportunity.

[Begin Giron Tanchez recording] The government feels that since the political parties have refused to participate in the State Council the council will operate with or without them. We don't think there is any problem in this regard. We do think that the political parties had a great opportunity to make their voices heard in an entity that will be advising the president of the republic on solutions to the dire problems facing Guatemala. I think they were given a golden opportunity and have missed it. [end recording]

The secretary general of the presidency reiterated that the State Council will begin functioning on 15 September but in answer to a question said he does not yet know who will preside over it.

[Begin Giron Tanchez recording] Yes, the state councilmen will assume office and begin performing their functions on 15 September at 1600 at the offices of the Congress of the republic. [end recording]

When asked how the State Council will draft the law on elections and political parties without the parties' participation, Giron Tanchez said that what the council is going to do is to draft a bill and only that.

[Begin Giron Tanchez recording] The truth is that what the State Council is going to do is to draft a bill on elections and political parties. From this point of view, the government of the republic -- that is, the executive branch, which is in charge of the legislation -- will take into account all opinions from [words indistinct]. [end recording]

REBEL INTERVIEWED ON 'SCORCHED EARTH POLICY'

PA100019 Havana International Service in Spanish 0000 GMT 9 Sep 82

[Pedro Martinez Pires interview with (Felipe Garcia), member of the Guatemalan Rebel Armed Forces -- date and place not given]

[Text] [Question] Garcia, we would like to learn more about the scorched earth policy currently being perpetrated by the Rios Montt regime.

[Answer] This scorched earth policy is being utilized in different parts of the country. The Army arrives and destroys the homes of the companero peasants, to force them to accept relocation in areas chosen by the Army, in an effort to keep them under control and thus end their support for the guerrillas.

[Question] Wasn't this one of the bloodiest tactics used by the United States in Vietnam?

[Answer] Yes. It is being done covertly, in that members of the Army arrive dressed as civilians, so that it will appear, both domestically and internationally, that the residents themselves are staging the massacres. The Army then appears and tries, through use of hunger, to force the residents of the destroyed villages to agree to be relocated in areas selected by the Army.

[Question] The scorched earth policy practiced in Vietnam and the creation of strategic villages ended in a great failure for imperialism. (Felipe), I would like to know what has happened in Guatemala with the application of this policy?

[Answer] By using this policy they have caused the people to leave their homes to avoid being attacked by the Army and forced to accept relocation. Just as this technique failed in Vietnam, our struggle will make it fail in Guatemala.

[Question] Still, the material cost produced by the destruction of villages is high, not to mention the murder of thousands of peasants. Isn't this true, (Felipe)?

[Answer] Yes, the cost is high, not only economically but in lives. They arrive at the villages, commit massacres and then burn the crops [words indistinct] and kill the animals, so that the survivors who might be able to seek refuge nearby are forced to go to the areas where the Army has set up towns to control these people.

[Question] One of the regime's primary objectives in this is to create terror and panic among the Indians and peasants, who are the main source of support for the guerrilla forces. However, some reporters who recently visited Guatemala said that this will have a boomerang effect for the regime, for all that it will do is promote awareness among the peasants.

[Answer] Undoubtedly, the answer to this repressive attack by the Army, on the advice of U.S. imperialism, is to create more awareness among the people. Everyday, more companeros from the various towns join the revolutionary struggle in Guatemala.

BRIEFS

NEW AMBASSADOR TO UN -- Mario Rafael Quinonez Amezquita today assumed office as Guatemalan ambassador to the United Nations. [Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 8 Sep 82 PA]

NEW AMBASSADORS' CREDENTIALS -- Adolfo Martinez Badillo, Luis Lacorte, and Cesar Roman Gonzalez, ambassadors extraordinary and plenipotentiary from Colombia, Venezuela and Ecuador, respectively, will present their credentials to President Jose Efrain Rios Montt on 25 August. [Guatemala City DIARIO DE CENTRO AMERICA in Spanish 24 August 82 p 4 PA]

NEW GOVERNOR -- Mr Jose Massis Zaid today took over the post of governor of Guatemala Department. He has replaced Blanca Luz Molina Castaneda, who despite the fact that she held this post for 8 years has said that Guatemalan women are being discriminated against in the assignment of important jobs. [Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 2 Sep 82 PA]

OAS AMBASSADOR -- Guatemalan Ambassador to the OAS Gustavo Santizo Galvez has been elected president of the Commission for Juridical and Political Affairs of that organization, according to a wire received by Foreign Minister Eduardo Castillo Arriola. [Guatemala City DIARIO DE CENTRO AMERICA in Spanish 1 Sep 82 p 5 PA]

HONDURAS

GOVERNMENT DENIES RUMORED CABINET SHAKEUP

PA091846 Tegucigalpa Domestic Service in Spanish 1130 GMT 9 Sep 82

[Communique issued by the Presidential Secretariat's Information Office on 8 September -- read by announcer]

[Text] In view of the information released by the press, radio and television according to which the president of the republic is about to dismiss several secretaries, the Presidential Secretariat's Information Office states that:

1. The speculation lacks foundation since Dr Suazo Cordova has not considered such measures.

2. The chief of state believes that an evaluation of the work of different officials at all levels is premature at this time, as this government has only been in office for 7 months.

3. Any restructuring measures eventually adopted by the president will be officially announced through the information channels of this office in compliance with the democratic practice of keeping the people informed, since it is for the people that the constitutional government is carrying out every effort for peace and development within the framework of freedom.

Tegucigalpa, central district, 8 Sep 82

Information Office, Presidential Secretariat

NATIONAL PARTY FACTION ISSUES MANIFESTO

PA100151 Tegucigalpa Cadena Audio Video in Spanish 1145 GMT 7 Sep 82

[Report on manifesto issued by Honduran National Party's Unity and Change Movement in Tegucigalpa, dated September 1982]

[Text] The Unity and Change Movement [Movimiento Unidad y Cambio] of the National Party addresses its members throughout the country with a manifesto of ideological solidarity and a message of genuine companionship, which binds us to the justness of our cause and to the awareness that only the constant struggle against wrong strengthens us and establishes our political motivation toward constant and consistent democratic actions.

The document states:

It is necessary that every member of the Unity and Change Movement, seeking to transform our political party, be clearly aware of the events that have recently taken place inside the National Party. This requires a perspective that permits us to appreciate the facts in their proper dimensions and that will give us the energy to continue the civic and political struggle, to which we have dedicated our knowledge, our desire for struggle, our blue [color of party flag] solidarity and our wish for a modern party; in sum, our decision to be a political party of what are essentially fighting men, who will give their lives to an organization that is permanently dynamic.

We all know the National Elections Tribunal has twice made decisions that oppose the majority of the National Party's membership, thereby distorting justice and contradicting the sacred interests of our glorious political party, which, with its blue flag and lone star, symbolizes unity, capacity, the guiding beacon and solutions for the masses.

The document adds: Our movement was not founded for the purpose of occupying positions of party power. The unity and change movement is a philosophy, an ideology, a doctrinal avocation, it is a real political revolution that has set itself the goal of revitalizing national party's the organizational structures and ideology, cleansing it of the flaws accumulated over many years, [word indistinct] at the level of a political party with a truly democratic nature, where the majority will of its supporters is respected and its fate is not left to the mercy of selfish, omnipotent and autocratic cliques that are accustomed to toying with the good faith of the National Party's members in their own interests.

Our movement can never be identified with the names of individuals, because it represents the consolidation of a noble, pure and lofty idea; it must always be clear in everyone's mind that we are convinced that the people's ideas are never destroyed by disloyal schemes. Many are making an effort to make it appear in the mass communications media that members of Unity and Change are beginning to make personal campaigns within the National Party. This is a vain effort, for when men commit themselves to a cause their interests become sacred, to be defended with unity in struggle, without tiring, without weakness and without compromise. The interests of Unity and Change are the loftiest interests of the National Party, becau e the nationalist people feel that our struggle is the cause of the party's enduring values.

The document goes on to say: We are fully convinced that Unity and Change has no room for personality cults, because it is working toward the summit of a clean and resplendent victory, which will only be possible in the synthesis produced by the unity of every effort of the members of Unity and Change. This is our message of unity, the message of the struggle in the interests of the great blue majorities, because we are convinced that the great interests of the majorities are far removed from personal interests.

Nationalists of Unity and Change, let us strengthen our consciences in the struggle, with the assurance that only consistent work can produce the transformations demanded by our party. Our commitment to wiping out all personality cults leads us to reaffirm, more than ever, that the central, departmental and local leadership of the National Party must be the end result of the deliberations of aparty in which the majorities determine that party's actions. Our movement is united precisely because it promotes the unity and changes of the National Party. No one will ever divide us, for we are led by a group of men who are the product of the planning of objective realities and not of improvisation, which has been forgotten in the dark night of time.

[Signed] Mario Rivera Lopez, (Armando Velasquez Cerrato), (Rafael Leonardo Callejas), (Juan Pablo Urrutia), (Eliseo Perez Cadalzo).

BRIEFS

WORLD BANK LOAN -- (Geronimo Sandoval), national port enterprise director, has said that the World Bank has granted a 20-million lempira loan for the work in Puerto Castilla to continue. Mr (Sandoval) met with President Suazo Cordova to inform him of the results of his recent trip to the United States. [Tegucigalpa Domestic Service in Spanish 1130 GMT 9 Sep 82 PA]

SIGATOKA DISEASE -- Over 17,000 hectares of plantain plantations in the northern part of the country have been hit by Sigatoka disease, according to a spokesman of the National Plantain Commission. In view of this situation, the government is adopting measures to counter the disease. [San Pedro Sula TIEMPO in Spanish 30 Aug 82 p 14 PA]

NICARAGUA

ENVOY TO USSR PRAISES SOVIET ASSISTANCE

PA092356 Managua BARRICADA in Spanish 2 Sep 82 p 5

[Excerpts] "To refer to Soviet cooperation with Nicaragua is not to refer to something that is static, but to aid that is 'in crescendo'; in fact, I would say that if it could be measured on a 5-year basis, the unit used for Soviet plans, it would be an astronomical figure, and includes the best possible terms of financing."

This statement was made by Companero Jacinto Suarez, Nicaraguan ambassador to the USSR, who is currently in Managua, during an interview with BARRICADA on our relations with the USSR.

The presence of the 700 young Nicaraguans in the Soviet Union studying 25 different careers in the sciences and in technology, the hydroelectric plants, two complete hospitals that are soon to be built in Nicaragua with Soviet financing and the various kinds of cultural and cooperative exchanges represented by the impending visit of the great Soviet circus, probably in December, intended as a gift for the children of Nicaragua, "are only the beginning of the great variety of support that we are receive from that country," the ambassador said.

Jacinto continued his list: the national choir is going to the USSR soon; the Masewalt group has already been there; and there is the donation of $31 million for small industry, the raw material for our textile industry and the thousands of tons of wheat that they have given us.

"Look, all that our students must do there is to get on with their studies, as everything is financed by the USSR. In fact, we have 300 new scholarships for next year. We give them raw material and they return it to us in the form of technicians.

"They are paid 90 rubles per month while they study and 80 during their preparatory phase while they are learning Russian.

Financial and Technical Cooperation

"On the same order of importance, Companero Jacinto Suarez told us about the areas of technical and financial cooperation. Last year it was $50 million, this year it is $100 million, and there is work on the technical aspects of a hydrology project. They are going to give us two plants which would have cost $500 million in 1975, for we compared it with a project planned by another company that made studies before the revolution's victory.

"In the mining sector, we already have plans underway for mineral prospecting and the same is true for the fishery industry. We cannot even give tentative figures in these areas, because the cooperation will be multiphased.

"The machinery that Nicaragua has received is the result of the initial financial agreements signed in 1980, with interest rates of 3 percent; the USSR does not charge more than 5 percent. The $31-million donation, given free, was allocated to the metal production and textile industries and to raw material." Fifteen professors from the UNAN [Autonomous National University of Nicaragua] were training in modern mathematics a year ago and this year another 15 will travel there to strengthen their academic knowledge.

"How much is all of this cooperation worth? We really don't know," Ambassador Suarez said. "It is given us because, besides being advantageous for us, it demonstrates a relationship of mutual respect, as is the case with other friendly nations."

WHEELOCK PROPOSES FOOD SECURITY COUNCIL TO FAO

PA092032 Paris AFP in Spanish 0416 GMT 9 Sep 82

[Text] Managua, 8 Sep (AFP) -- Commander Jaime Wheelock, Nicaraguan minister of agricultural development and agrarian reform, proposed here today a food security council be established at the level of Latin American agriculture ministers.

Addressing the participants of the 17th FAO Regional Conference for Latin America that began here on Monday, the minister said that the region must seek multinational mechanisms that permit it to overcome its deficiencies in the production of food, deficiencies that have led it to import foodstuffs.

Wheelock proposed specifically that a task force be immediately set up to take charge of reviewing the measures necessary to create a regional food security council.

The council would be made up of the Latin American agriculture ministers and would be empowered to determine food production and marketing policies in the area with the objective of "avoiding the bilateral blackmail to which some countries are subjected by industrialized nations."

Among the tasks of the council cited by Wheelock would be the establishment of a multinational "takeoff" [despegue] fund consisting of food.

Thus, any country lacking food, according to the Nicaraguan proposal, could request (?credits), while the security council would carry out food production projects financed by the fund.

Wheelock outlined some experiences acquired by (?Nicaragua) in improving its economy by marketing its national products. Among them he cited the barter system, the creation of coinvestment enterprises to produce food and the bilateral exchange of technological experience.

FINANCE MINISTER ADDRESSES WORLD BANK ASSEMBLY

PA091954 Managua Domestic Service in Spanish 0300 GMT 8 Sep 82

[Text] Toronto -- Nicaragua has no problems with its foreign debt, and servicing of that debt has been strictly complied with, without hindrance, Joaquin Cuadra Chamorro, Nicaragua's representative at the annual Wordl Bank assembly, has said.

Cuadra, who is finance minister, explained that Nicaragua has renegotiated the foreign debt that it had contracted before July 1979 with international banks and other governments, with the exception of some governments that he did not identify. He was obviously referring to the United States.

Cuadra related to the World Bank assembly the efforts that are being made to overcome the problems caused by natural phenomena and the war of liberation without neglecting to improve the people's standard of living and level of development.

Efforts to offset the international crisis should not compromise the sovereignty of Latin American countries, and any increased dependence on the centers of power should be prevented. This belief was expressed yesterday by Finance Minister Joaquin Cuadra, representing the countries of the hemisphere, Spain and the Philippines during the annual assembly of World Bank governors that is underway in Canada.

The Nicaraguan delegate criticized the industrialized nations for intensifying their protectionist policies and the adopting economic measures that infringe on the sovereign rights of developing countries.

Cuadra also denounced the virtual abandonment of the North-South dialogue, at a time when developing countries require the cooperation of the international community. He emphasized that the existing international crisis is not irreversible and that the solution depends on the capacity for institutional response of the IMF and the World Bank through specific short-term measures to prevent the emergence of a greater crisis.

SOLIDARITY FRONT ENDS MEETING, ISSUES COMMUNIQUE

PA100246 Managua International Service in Spanish 0230 GMT 9 Sep 82

[Text] Managua, Nicaraqua -- The Executive Committee of the World Front for Solidarity with the Salvadoran People [WFSSP] has stated publicly that Central America lives in danger because of imperialism's hegemonic presence.

The Executive Committee of the solidarity organization, which represents dozens of organizations from all over the world, ended its second meeting in Managua after evaluating the work done in solidarity with the Salvadoran people within the framework of the current Central American situation.

In a document called the Managua Declaration, it analyzes the current regional situation and warns that the Salvadoran conflict may be regionalized as a result of imperialism's aggressive and interventionist policies.

The WFSSP is one of the largest existing organizations in the area of international solidarity. Groups from dozens of countries on several continents belong to this great world front.

The second meeting of this multinational organization ended in Managua this week by giving a precise view of Central America and of the dangers threatening peace in the region.

The WFSSP meeting issued an appeal that all peoples of the world support the struggle of the people of Farabundo Marti. The declaration states that Central America faces a threat of war due to imperialism's hegemonic presence. The threat of a regional war in Central America is caused by imperialism's drive to recover its lost hegemony in the area, the Managua Declaration says.

The WFSSP communique also refers to specific aspects of the reactionary imperialist policy which is aimed at crushing the struggle of Central American peoples. It convincingly shows that the Central American democratic community, composed of Costa Rica, Honduras, El Salvador and Guatemala was formed with the basic goal of isolating the Sandinist revolution and strengthening the political and military encirclement of Nicaragua.

The document points out that the so-called Central American democratic community provides the legal and political conditions necessary for a warmongering adventure in the area. It is doing this under the guise of democracy, but in time its deeper purposes have been discovered and disclosed.

There is an imperialist spearhead aimed at Nicaraqua and at (?Castro's Cuba). Cuban, Chilean, Israeli and former Somozist guard mercenaries having been hired to mount armed attacks and sabotage actions in Nicaraqua.

The declaration addresses the Honduran Army, urging them not to become pawns of imperialist aggression in Central America.

The WFSSP declaration also expresses rejection of the Symms Amendment recently passed by the U.S. Congress, in which the Reagan administration is encouraged to send troops into Central America and the Caribbean to face the so-called Soviet-Cuban aggression.

The declaration points out that despite the Salvadoran regime's great military display, with complete technical and logistical support from the U.S. Army, the struggle carried out by the FMLN and the Revolutionary Democratic Front [FDR] is spreading and gaining ground. The invincible advance of the people toward victory is a fact, the declaration states.

The WFSSP calls on all humanist consciences in the world and on democratic, popular and humanitarian organizations to support the struggle of the FMLN and the FDR. Along with the approval of the Managua Declaration, the WFSSP Executive Committee urged the organization's Permanent Bureau, which works out of Mexico, to encourage all members to work for the reactivation and coordination of the world solidarity movement, both in America and in Europe. The Executive Committee also invites the Permanent Bureau to begin preparations for the third meeting of the WFSSP Secretariat, to be held next December in Paris, France. The world front leadership also demands the release of Saul Villalta, a member of the FDR Executive Board; and of America Perdomo, both of whom were arrested in El Salvador along with other people about 2 weeks ago.

The second meeting of the WFSSP Executive Committee ended with a warm mass rally at the Sandinist Workers Federation's headquarters.

INTEGRATION DIRECTOR ON PROSPECTS OF CACM

PA091815 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 8 Sep 82

[Text] Economic Integration Director Orlando Solorzano today discusses the situation of the ACM. He feels that it is showing good results.

[Begin recording] [Solorzano] The reactivation that has become noticeable in recent days is a reflection of the Central American countries' recognition of the fact that there is no alternative to reciprocal understanding and cooperation in order to attenuate the effects of the present crisis as much as possible.

This recognition is manifested, as I said, in the reactivation that has taken place and in the meetings of the ministers in charge of integration that have just resumed in San Salvador -- after a hiatus of almost 10 and 1/2 years -- amid a crisis that is afflicting all of Central America.

[Question] Nicaragua is promoting the barter system. With what countries is this underway and how much acceptance has there been?

[Answer] Nicaragua has been promoting the use of a barter mechanism as a complementary mechanism for facing up to the problems that confront us at this time, when we have a very great shortage of foreign exchange. In view of this shortage and the paralyzing or reduction of Central American trade that has resulted from it, we have considered the barter mechanism as a complementary, emergency measure. [end recording]

LA PRENSA ON SANDINIST REGIME'S CENSORSHIP

PA090456 Paris AFP in Spanish 1251 GMT 8 Sep 82

[By special AFP correspondent Claude Urraca]

[Excerpts] Managua, 8 Sep (AFP) -- An average of 30 percent of LA PRENSA's 34 pages are censored on a daily basis by the Nicaraguan Sandinist government, and on some days censorship suppresses up to 60 percent of the newspaper's contents, according to Pedro Joaquin Chamorro, its director.

Successor to his father, who was killed in 1978 under former Dictator Anastasio Somoza's regime, Chamorro plans to continue the "independent" line of his paper, one of the most influential in Latin America as a result of its constant opposition to the former regime, despite the figures cited previously on government censorship.

"One day they censored a report we had on the seizure of spoiled canned goods from Bulgaria, as if the products of Eastern countries could not possibly be spoiled," LA PRENSA staff member remarked.

According to newspaper correspondents, the logic of censorship is quite illogical: "On some days they suppress virtually everything, while on other days, without apparent reason, they let us publish everything," they stated. "Our relations with the authorities are cool, but not bad. Their power is solid and we believe that they have no reason to fear freedom of the press," the newspaper members stated.

In addition to censorship, the government permits only a minimal amount of official publicity to LA PRENSA as a means of pressure, and restricts the portion of foreign exchange it receives, which is indispensable in purchasing the paper and printing products from abroad that are required.

LA PRENSA has a daily circulation of 60,000, equal to that of EL NUEVO DIARIO and BARRICADA put together.

ARCE ADDRESSES MANAGUA REGIONAL COMMITTEE

PA091317 Managua LA PRENSA in Spanish 1 Sep 82 p 4

[Text] The members of Regional Committee No 3 for Managua Department were sworn in last night with Dr Rafael Cordova Rivas, member of the Goverment Junta, and Commander Bayardo Arce Castano, coordinator of the FSLN Political Commission, in attendance.

The committee is comprised of Commander Dora Maria Tellez, political secretary; Darma Lilia Carrasquilla, organization secretary; Carmen Moreno, secretary for propaganda and political education; and Nelly Castillo, Elias Chevez, Damaso Vargas, Pedro Hurtado and Samuel Santos as members. The last two will serve as alternates.

The swearing-in ceremony was presided over by Rene Nunez, secretary of the FSLN National Directorate, at the Oscar Benavides complex communal center.

Speaking for Regional Committee No 3, Commander Tellez said that the committee is assuming its delicate responsibilities with militant discipline, with the certainty that all of the members are prepared to sacrifice even their lives to achieve their goals.

In the keynote speech, Commander Arce analyzed the present problems being faced by Managua and its estimated population of 890,000 people. He termed the problems very complex. He said that the committee's job is to carry out an in-depth political-ideological effort in order to raise the Managua residents' awareness of the worsening problems that exist in the health, education, food production, industrial and other areas.

He emphasized that it is necessary to make the people realize that they must make rational use of the limited resources available in the social assistance field.

In the area of medical services, he said that figures show a great deficit because there is only one doctor for every 1,400 people, and the same applies to the number of beds available in the hospitals.

Arce referred to the sabotage at Construction Ministry installations in Iyas, where a commando group infiltrated from abroad destroyed 30 trucks, mechanized shovels, bulldozers and even a hospital that serviced peasants in the area.

He explained that while delegates from Latin American countries are meeting in Nicaragua to discuss the problems of hunger and food production, the counterrevolutionaries are destroying agricultural equipment in an attempt to demoralize the government in its efforts to achieve rural progress.

He expressed concern because Sandinist partisanship has not developed in industrial installations as it should.

"There are companies in which we have only 2 or 4 Sandinist members," he pointed out.

Arce said that the responsibility for solving problems in Managua does not belong to the government only, but to all the inhabitants, and the future will be guaranteed to the extent they participate.

Regional Committee No 3 is responsible for almost 890,000 citizens, Arce said. He added that it is necessary to increase the 1,400 Sandinist members who live in Managua.

Speaking about a new image of development for Managua, he said that we must forget the old concept of the capital as the polarizing nucleus of the country's development. Now its activity must be complementary, a harmonious joining of efforts with other regions in the country.

He added that the department must produce food. Every piece of land must be cultivated, even in backyards, so as not to depend on the production of the interior of the country.

"Only by fulfilling the goals of political and party work among the citizens will we be able to say with self-assurance "They shall not pass," Arce concluded.

NEW LABOR LEADER COMMENTS ON OUSTED DIRECTORS

PA092326 Managua Radio Sandino Network in Spanish 1200 GMT 8 Sep 82

[Text] Its isolation from the union's rank and file as a result of its minimal participation in the Nicaraguan Labor Coordination Organization, and its political deviation, in that it allied itself with sectors that did not represent the workers, were some of the causes that led the rank and file of the Federation of Nicaraguan Workers, CTN, to expel their Board of Directors, which was led by Secretary General Carlos Huembes and Assistant Secretary Jose Altamirano and which included 15 other members of the organization.

Antonio Jarquin Rodriguez, new CTN secretary, said that the ousted individuals who remain in the country have adopted a violent attitude and have tried to confront some of the groups that support the new Board of Directors.

Jarquin noted that Carlos Huembes and Jose Altamirano are abroad. He said that a suit will be filed to recover CTN assets held by the expelled leaders, but he did not specify the court in which the action will be brought. He added that an investigation into the activities of the previous leaders and into their whereabouts for the 13-18 April period, when they all disappeared, is underway.

Jarquin declined to speculate on their whereabouts at the time. When asked it if is true that they took refuge in a diplomatic mission, he said only that the necessary investigations were underway and that a report would be issued upon their completion.

SENTENCED COSEP MEMBERS, COMMUNISTS PARDONED

PA092153 Panama City ACAN in Spanish 1230 GMT 9 Sep 82

[Text] The Nicaraguan State Council pardoned three Nicaraguan businessmen and three Communist Party members yesterday.

Reynaldo Hernandez, Jaime Bengoechea Delgadillo and Ramiro Gurdian, members of the Higher Council of Private Enterprise (Cosep) are the businessmen who were pardoned by the government.

They had been sentenced by the courts to 210 days' incarceration at hard labor for violating both the law that guarantees order and public security and that dealing with the state of economic and social emergency.

However, they were freed on bail.

The Communist Party members who were pardoned are Eli Altamirano, Allan Zambrana and Roberto Moreno Cajina.

They had been sentenced to 17 months' imprisonment, beyond the 210 days earlier mentioned. Ultimately, though, they were under house arrest.

Representatives of the Luisa Amanda Espinoza Nicaraguan Women's Association were completely opposed to the pardon, while the General Labor Confederation Association opposed only the anmesty for the COSEP members. The 19 July Sandinist Youth Movement abstained from voting.

The other State Council members were in favor of the pardon.

The Junta of the Government of National Reconstruction presented the motion for pardon at the State Council. Commander Daniel Ortega, interviewed by ACAN-EFE on the topic, said that "This has been done so that these citizens -- who were arrested and later freed -- can resume normal lives, as they have expressed the desire to participate in the country's productive activities."

Commander Ortega denied that the government's initiative to grant these pardons resulted from the talks between the FSLN and the Nicaraguan Democratic Coordinating Board, which represents the country's dissident political parties.

As for the talks among political leaders, he said that they have begun and that the results are still pending.

LABOR MINISTER IN FRG, DEFENDS PLURALISM

PA100318 Managua Radio Sandino in Spanish 1830 GMT 8 Sep 82

[Text] Bonn -- Political pluralism is a reality in Nicaragua, Virgilio Godoy, Nicaraguan minister of labor and president of the Independent Liberal Party, has said here. While visiting the German capital after attending a seminar organized by the German Liberal Democrats in (?Gummersbach) along with 25 other Latin American politicians, Godoy said that his party, which is represented in the Nicaraguan Government, won't yield an inch in supporting and strengthening political pluralism in his country.

The minister said that the failure of LA PRENSA to circulate in Nicaragua was not the result of a government prohibition on publishing the pope's letter to the Nicaraguan Episcopate, but was due to the fact that the government demanded publication of the entire document instead of the release of isolated passages in an effort to distort its message.

VOICE OF SANDINO REPORTS STUDENTS IN USSR, CUBA

PA092214 (Clandestine) Voice of Sandino in Spanish to Nicaragua 0000 GMT 9 Sep 82

[Excerpt] A total of 7,000 Nicaraguan students have been sent to Russia by the treasonous collective. And at the moment, there are 5,800 Nicaraguan students in Cuba. Since the treasonous collective finds it impossible to indoctrinate our youths at home, they are deceived with scholarships in socialist countries, where all they get are fabulous stories about the socialist system. Meanwhile, misery, shortages and rationing are imposed on our people in Nicaragua so as to dominate them completely.

This is further evidence of the violation of human rights that is practiced in Nicaragua in that youths are forced to adopt an ideology that is alien, atheist and disrespectful of human values. These scholarships are paid in dollars to those countries and the amounts paid are huge.

AGRICULTURE OFFICIAL ON LOSSES FROM DROUGHT

PA080438 [Editorial Report] Managua EL NUEVO DIARIO in Spanish on 25 August on pages 1 and 8 carries an item on drought losses in which Manuel Coronel Klautz, deputy minister of agricultural development and agrarian reform, reported that the losses caused by the drought are estimated at 136 million cordobas, due primarily to the effects on cotton and basic grains. [Managua Domestic Service in Spanish at 03000 GMT on 8 September reports that Coronel Kautz has announced that over 8,000 hectares of cotton have been damaged by the drought affecting the western sector of the country. He added that some days ago the Union of Nicaraguan Agricultural-Livestock Producers, Upanic, estimated losses from the drought at over $40 million.]

BRIEFS

DONATION FOR SUGAR MILL -- On 26 August, the Cuban Government and people donated 1,050 tons of machinery and steel structures for the construction of the sugar complex in Malacatoya. The shipment is currently being unloaded at the docks in Corinto. [Managua EL NUEVO DIARIO in Spanish 27 Aug 82 p 12 PA]

DONATIONS FOR RELIEF -- New donations for the Nicaraguan disaster victims were delivered to Reynaldo Antonio Tefel, in charge of the Nicaraguan social security and welfare institute: 2 million cordobas in medicine from the People's Republic of Hungary; $10,000 from the Antonio Valdivieso Center Ecumenical Axis; and $10,000 from the Association for Friendship and Cultural Exchange between Italy and Nicaragua. [Managua EL NUEVO DIARIO in Spanish 28 Aug 82 p 7 PA]

WORKERS CONGRESS -- More than 100 delegates of unions throughout the country participated in the congress of the Nicaraguan Workers Federation [CTN] held at CTN headquarters in Managua yesterday. Antonio Jarquin Rodriguez was elected the new executive committee secretary. Jarquin Rodriguez will also be the CTN's representative to the State Council; his alternate will be (Julio Morales Prado), a peasant. [Managua Radio Sandino Network in Spanish 1200 GMT 7 Sep 82 PA]

CUBAN DONATION -- Carlos Lugo, counselor at the Cuban Embassy, made an important donation on behalf of the Cuban people yesterday afternoon. This donation will be very useful for communications projects being carried out by the National Telecommunications and Postal Service Institute [TELCOR] in the Matagalpa Mountains. The donation, which was received by TELCOR Director Enrique Schmidt, includes four tractors and a compressor valued at more than 4 million cordobas. [Managua Radio Sandino Network in Spanish 1200 GMT 1 Sep 82 PA]

BANK HEAD SAYS BANKING SYSTEM IN JEOPARDY

FL092130 Mexico City NOTIMEX in Spanish 2030 GMT 9 Sep 82

[Text] Havana, 3 Sep (NOTIMEX) -- The Third World's debt has placed in jeopardy the financial stability of the international banking system, Raul Leon Torras, president of the National Bank of Cuba, warned today. He indicated that the worldwide indebtedness of countries [passage indistinct].

(?He said Cuba) has been trying to renegotiate its foreign debt with the West for the past few days. He added that if it is finalized in the terms in which the renegotiation has been proposed, in the long run it will have a good effect on the relations between Cuba and the lending capitalist countries because it will contribute to reorganizing the country's foreign finances.

Liekwise, he recalled that since 1970 the Third World has been forced to renegotiate its foreign debt. Delegations of the bank [National Bank of Cuba] are currently visiting Western capitals conducting negotiations to rearrange the installments for the amortization of medium- and long-term loans granted to Cuba.

OFFICIAL EXPLAINS RENEGOTIATON OF DEBT

FL092302 Havana Domestic Service in Spanish 1700 GMT 9 Sep 82

[Text] The GRANMA newspaper, official organ of our party, today published an interview with Ismael Morena, [name as heard] vice president of the National Bank of Cuba, under the title: Why and How Cuba Renegotiates Part of Its Foreign Debt. In the interview, the high-ranking government official supplies a detailed report regarding Cuba's request.

He stressed that Cuba has requested renegotiation of a portion, not all, of its foreign debt with the governments and commercial banks of developed capitalist countries, specifically that portion of the debt which our country would have to pay by the end of 1982 and in 1983, 1984 and 1985.

He said that the National Bank of Cuba has sought to negotiate with its creditors the deferment of payments in convertible currency which would have normally been due by the end of this year and through December 1985, that is, some $1.2 billion due in our medium- and long-term foreign debt.

This debt is part of Cuba's $3.5 billion foreign debt owed to developed countries. Ismael Morena added that we intend to pay this debt over a 10-year term, of which the first 3 years -- 1983, 1984 and 1985 -- would be considered a grace period, that is, the principal due in those 3 years would be deferred until 1986. This means that Cuba will continue to pay interest on the entire debt, both the renegotiated and standing debt.

Regarding the reasons which have led us to request a renegotiation of a portion of our foreign debt, the high-ranking official said Cuba is confronting a temporary difficult situation in its financial obligations to capitalist countries. The basic causes for this situation have been the implementation of a cautious policy on credit restrictions and withdrawal of funds by capitalist banks.

Morena explained that this is the result of a prevailing profound financial and economic crisis which has been aggravated by Washington's aggressive campaign against Cuba and U.S. pressures on banks and governments. He stressed that the senseless economic policy implemented by Reagan has forced Cuba to increase its payments because of increased interest, and that this increase has amounted to $195 million in 1981 and $233 million in 1982, a total of $428 million for the 2-year period.

Another factor that has contributed to this situation has been the sudden and catastrophic fall in sugar prices. But the EEC, by supporting strongly subsidized sugar exports and by refusing to abide by the international sugar agreement, and the U.S. Government, by implementing restrictions on sugar imports, have also been largely responsible for this situation.

Morena noted that as a result of these polices, sugar prices on the international market in the past few weeks have been established at $0.06 per pound. He said that in comparison with international prices in 1954, this would be slightly higher than $0.015 per pound.

In the interview, Ismael Morena explained that once the progressive deterioration of the international financial situation had become obvious, the Cuban Government and Cuba's Communist Party implemented drastic measures to decrease to a minimum all imports from capital countries.

He noted that this does not mean that Cuba is bankrupt since this would mean that Cuba is unable to meet its financial obligations, and this is not the case. Morena stated that this is merely a request for an extension and not a bankruptcy.

The high-ranking official said the Cuban Government and the National Bank of Cuba have reasserted that in keeping with the revolution, Cuba will fulfill all its financial and commercial commitments. Morena added that we shall continue to receive income from our exports -- which are not few -- and from other sources. This means we can rely on those resources that will enable us to meet our commitments. Moreover, he said, when the [foreign] banks and governments study the report that has been submitted by the National Bank of Cuba, the stability of Cuba's economy will be confirmed.

Morena explained that the renegotiation of Cuba's foreign debt is not caused by domestic economic problems and that this request is in keeping with the economic situation being experienced by developing countries. He said that the difficult financial situation that developing countries -- even those having considerable oil resources -- are experiencing is caused by the insecure policies enforced by international capitalist economies which are experiencing continuing economic crises, the last of which has reached catastrohpic proportions, particularly at the financial level, and which will probably surpass the 1929 capitalist economic crisis, the so-called "Great Depression."

The high-ranking official noted that the indebtedness of developing countries already surpasses the impressive sum of $500 billion, excluding those debts contracted as loans or short-term deposits which are estimated to total $140 billion. Morena said that such an emormous indebtedness of developing countries has threatened the financial stability of the international banking system which for basic precautionary reasons -- but at the risk that its own measures may contribute to the bankruptcy of the entire international financial system -- has proceeded to restrict long-and medium-term loans.

In his analysis, Morena states that in view of this, developing countries have been forced to dangerously increase their short-term loans and that this financial situation has placed the international financial system on the brink of bankruptcy. Moreover, he said this situation is increasingly causing developing countries to be unable to meet their financial commitments and the terms established by loan agreements.

Regarding the effect that the renegotiation of Cuba's debt will have on Cuba's relations with capitalist countries, Morena said that in the long run it will contribute to improve our country's foreign financial situation. He added that the second party congress approved guidelines for proper relations at both the economic and political level with industrialized capitalist countries.

This is the policy Cuba is observing, and its implementation will undoubtedly depend on the willingness of the governments and banking systems of these industrialized countries to establish mutually beneficial relations with Cuba on the basis of the renegotiation of our financial situation.

Regarding the direct impact that the renegotiation of Cuba's foreign debt will have on the people's economy, the high-ranking official reasserted that since the financial situation of previous years was taken into account when drafting the 1983 budget, the economic plans are in keeping with restrictions brought upon us by the present international situation and the decrease in sugar prices.

He noted that Fidel has always addressed our people, and that in one occasion, particularly on the recent 26 July ceremony, he told them with the frankness that has characterized our political leaders that hard times were ahead. He added that if the renegotiation is normally implemented -- as everything leads to believe -- there will be negative effects on the so-called consumer goods since there will be some restrictions, and that also some national production sectors will be affected because of the lack of some resources which will not be imported.

Ismael Morena said that sugar industry-related imports, medical products and foodstuffs have been assigned a priority import precedence. But he added that now all of us must work much harder than in previous years.

Morena concluded: Our country's leaders are implementing measures to achieve a higher production, to increase our exports and to give a better use to those resources that need to be imported. I know that the administration, with the support of the party, the Cuban youths and the mass organizations, will mobilize our people to achieve this goal.

NICARAGUAN PATRIOTIC FRONT DELEGATION ARRIVES

FL091545 Havana Domestic Service in Spanish 1400 GMT 9 Sep 82

[Text] A Nicaraguan [National] Patriotic Front [FPN] delegation, invited by the Communist Party of Cuba, has arrived in our country to learn about the Cuban revolution's development in various areas of our soceity.

The delegation is made up by its leader (Eduardo Coronado) and (Adolfo Beteta), (Jose Gabriel Moya) and (Marta Moreno), leaders of the Independent Liberal Party, the Nicaraguan Socialist Party, the Social Christian Popular Party [Partido Popular Social Cristiano] and the FSLN, respectively.

During their 10-day visit to Cuba, the leaders of the FPN will learn about our experiences in agricultural cooperatives, labor laws, tasks of the committees for defense of the revolution and trade union work. They will also visit the Isle of Youth and Santiago de Cuba Province.

MARCOS RECEIVES FOREIGN MINISTER IN MANILA

FL091140 Havana Domestic Service in Spanish 1100 GMT 9 Sep 82

[Text] Philippine President Ferdinand Marcos received Cuban Foreign Minister Isidoro Malmierca in Manila today. Malmierca is on an official visit to the Philippines.

In a reception held last night in honor of Malmierca, Philippine Foreign Minister Carlos Romulo said that the two countries were bound by solid ties of friendship and the common goal of peace. Romulo noted with appreciation that it was in Cuba that the Philippines was accepted as an observer in the Nonaligned Movement. He also said he respected President Fidel Castro.

Agreement Signed

FL100100 Havana Domestic Television Service in Spanish 0000 GMT 10 Sep 82

[Text] Cuban Foreign Minister Isidoro Malmierca and Philippine Ecology Minister [as heard] Imelda Marcos today signed a technical-scientific cooperation agreement. This agreement is in keeping with guidelines to develop bilateral relations for the benefit of the two nations. Malmierca is in the Philippines on an official visit.

SALVADORAN GUERRILLA ATTENDS ICRT CELEBRATION

FL101205 Havana Domestic Service in Spanish 1100 GMT 10 Sep 82

[Text] The Cuban Institute of Radio and Television [ICRT] hosted a ceremony yesterday to celebrate international journalists day. The winners of the Juan Manuel Marquez contest, organized jointly by the ICRT and the Union of Cuban Journalists [UPEC], were also presented awards at the ceremony.

Salvadoran fighter Margarita Gonzalez, a reporter for the guerrilla station Radio Venceremos, the official mouthpiece of El Salvador's FMLN, read a special communique alluding to the occasion. Gonzalez said that her presence was confirmation of the brotherhood between peoples struggling against imperialism. She said that Radio Venceremos, broadcasting from Morazan, congratulated the winners at a time when it was also reporting daily on the progress of the revolutionary struggle in El Salvador.

Jose Ramon Fernandez, member of the party's Central Committee and vice president of the Council of Ministers, presided over the ceremony and UPEC Secretary General Ernesto Vera made the closing remarks. ICRT President Nivaldo Herrera and other officials and guests also attended the ceremony.

OVER 3,000 'INTERNATIONALIST' WORKERS IN LIBYA

FL091456 Havana Domestic Service in Spanish 1426 GMT 9 Sep 82

[Text] Muhammad 'Ali al-Ajili, secretary of the People's Bureau of the Socialist People's Libyan Arab Jamahiriyah in Cuba, has said that more than 3,000 Cuban internationalists are working in his country in construction, industry and agriculture. In an exclusive interview for Radio Reloj, the Libyan representative declared that the number of Cuban workers in his country is expected to increase in the next few months.

He also disclosed that several youth delegations from the Jamahiriyah will visit Cuba next year to be trained in various areas of production. In concluding, he said preparations are under way at this time for a visit to Havana by a delegation made up of several Jamahiriyah secretaries to sign bilateral agreements in various fields.

BRIEFS

LEGAL AGREEMENT WITH GDR -- An agreement on the exchange of legal expertise in the achievement and consolidation of the socialist society has been signed in Berlin by the president of the GDR Supreme Court, Heinrich Toeplitz, and his Cuban counterpart, Jose Raul Amaro Salup. [Havana Domestic Service in Spanish 1421 GMT 8 Sep 82 FL]

GROSS NATIONAL PRODUCT -- Cuba's gross national product tripled in the period from 1958 to 1980. The average annual growth rate was 4.7 percent, according to a report prepared by the Cuban Statistics Committee. [Havana International Service in Spanish 1800 GMT 31 Aug 82 PA]

TRINIDAD AND TOBAGO

UNIONS BACK NATIONALIZATION OF TEXACO, INDUSTRY

FL091615 Bridgetown SUNDAY ADVOCATE-NEWS in English 5 Sep 82 p 3

[Text] Port-of-Spain, Trinidad, Saturday (CANA) -- Ten trade unions representing a wide cross section of the industrial and commercial sector have joined the Oilfield Workers Trade Union (OWTU) in its call for the nationalisation of the American-owned Texaco petroleum operations here and the entire oil industry in Trinidad and Tobago.

Support for the OWTU came in the form of a resolution passed by representatives of the unions at a meeting called by the Communication Workers Union (CWU). It was emphasised in the resolution that the nationalisation of all the companies and not just Texaco refinery was in the interest of the oil workers and the people of Trinidad and Tobago.

The American-owned refinery, Textrin, is the largest in the country and about two months ago drastically reduced its refining capacity to half of the normal 220,000 barrels a day. This has since fallen to 30,000 barrels a day, amid OWTU allegations that Texaco is planning large scale retrenchment.

ENVOYS POSTED TO BARBADOS, JAMAICA, GUYANA

FL091635 Bridgetown ADVOCATE-NEWS in English 6 Sep 82 p 1

[Text] Port-of-Spain, Trinidad, Sunday (CANA) -- In an apparent move to cement relations with its Caribbean Community (Caricom) partners, Trinidad and Tobago has posted three of its most experienced diplomats to regional locations, left largely neglected in recent years. Prime Minister George Chambers announced in Parliament last evening that his government was appointing new full-time high commissioners to Barbados, Jamaica, and Guyana -- Caricom's three most developed countries besides Trinidad and Tobago.

High commissioner to the United Kingdom, Eustace Seignoret, has been shifted to Georgetown, ambassador to the United States, Victor McIntyre, will go to Kingston and roving regional envoy, Basil Pitt, will be stationed in Bridgetown, Mr. Chambers said. Trinidad and Tobago previously had a non-resident high commissioner to Barbados and the eastern Caribbean, Mrs. Verna Crichlow who died on June 26.

The Caricom appointments were part of a general shakeup in the Trinidad and Tobago diplomatic service. The prime minister also announced that Mr. Maurice St. John who had been holding on in Georgetown in an acting capacity, had been confirmed as an ambassador and will move to Brussels as resident representative to the European Economic Community (EEC).

BRIEFS

BARBADOS

ZAMBIAN ENVOY VISITS -- Zambian high commissioner to Barbados, Lt. Gen. Benjamin Mibenge recently concluded a four-day official visit to Barbados. The non-resident diplomat was accompanied by Mr. Benjamin Chiyangi, a Zambian official. While here he held discussions with deputy prime minister, Bernard St. John; minister of agriculture, Dr. Richard Cheltenham; and acting minister of foreign affairs, Senator Nigel Barrow. [Bridgetown ADVOCATE-NEWS in English 6 Sep 82 p 1 FL]

DOMINICAN REPUBLIC

NEW HONDURAN AMBASSADOR -- Santo Domingo, 1 Sep (EFE) -- The new ambassador of Honduras, Roberto Mejia Rudon, today presented his credentials to Dominican President Salvador Jorge Blanco. He replaces Hernan Carcamo Tercero. [Madrid EFE in Spanish 2322 GMT 1 Sep 82 PA]

FRENCH GUIANA

EUROPEAN ROCKET LAUNCH ENDS IN FAILURE

Launch Announced

PA100221 Paris AFP in English 0216 GMT 10 Sep 82

[Text] Kourou, French Guiana, Sep 10 (AFP) -- The European space rocket "Ariane" was fired today from the Guiana space center at Kourou at 0212 GMT to inaugurate its first commercial flight, it was announced here.

Rocket Crashes Into Sea

PA100358 Paris AFP in English 0342 GMT 10 Sep 82

[Taken from the AFP news summary]

[Text] Kourou, French Guiana, [no date given] (AFP) -- the European space rocket "Ariane" crashed into the sea 14 minutes after being launched here with two satellites it was supposed to place in orbit on its first commercial job. The crash came at about 0230 Friday. The cause of the failure was not immediately known.

GUYANA

BURNHAM TO PAY OFFICIAL VISIT TO BRAZIL 30 SEP

FL091600 Bridgetown CANA in English 1457 GMT 9 Sep 82

[Text] Georgetown, Guyana, Sep 9, CANA -- The Guyana Government has formally announced that President Forbes Burnham will pay an offficial visit to Brazil from September 30 to October 6. The Guyana Foreign Ministry said that President Burnham will be received in Brasilia by President Joao Baptista de Oliveira Figueiredo on October 4 and 5.

The presidents will hold wide-ranging talks on a number of international issues, including developments in the hemisphere, and will undertake a thorough review of their countries bi-lateral relations, a ministry release said. President Burnham is expected to visit other parts of Brazil, including Sao Paulo, Rio de Janeiro and the hydroelectric complex at Itaipu, and will be accompanied by other top Guyana officials.

SURINAME

PRIME MINISTER NEYHORST INTERVIEWED BY XINHUA

For a XINHUA exclusive interview with Prime Minister H.N. Neyhorst, including his comments on relations with Caribbean countries and Suriname's economic problems see the Western Hemisphere section of the 8 September issue of the China DAILY REPORT.

URUGUAY

COST OF LIVING, FOREIGN CURRENCY SALES REPORTED

Cost of Living

PY100123 Montevideo Radio El Espectador Network in Spanish 1000 GMT 9 Sep 82

[Excerpt] The government has reported that the cost of living in Uruguay from January to August 1982 increased 9.8 percent.

Foreign Currency Sales

PY030046 Buenos Aires TELAM in Spanish 1530 GMT 30 Aug 82

[Excerpt] Montevideo, 30 Aug (TELAM) -- Uruguayan exchange houses are selling about $3 million a day in U.S. dollars and Argentine pesos to Uruguayan citizens who travel to Argentina for shopping. It was officially reported that an average of 6,000 Uruguayans travel to Argentina every day. As a result of this situation, business in Uruguay has decreased by 75 percent.

VENEZUELA

BRIEFS

OIL PRODUCTION, EXPORTS -- Caracas, 28 Aug (AFP) -- It was announced officially in this capital that Venezuela produced 1,893,000 barrels of oil a day during the past week and exported 1,275,000 barrels a day. An official report adds that as of 22 August Venezuela's oil production reflected a decline of 17.36 percent and its exports showed a decline of 19.47 percent compared with the same period in 1981. [Paris AFP in Spanish 1205 GMT 28 Aug 82 PA]